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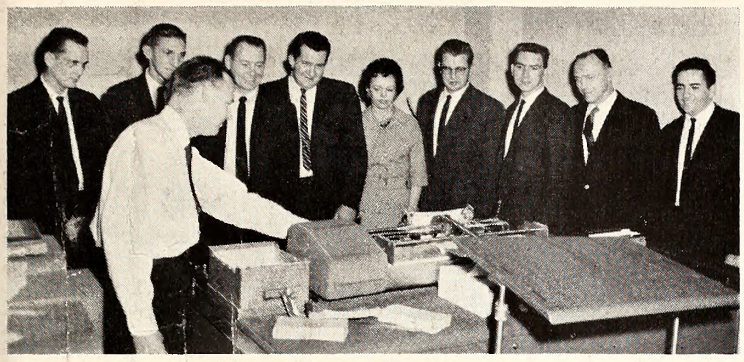
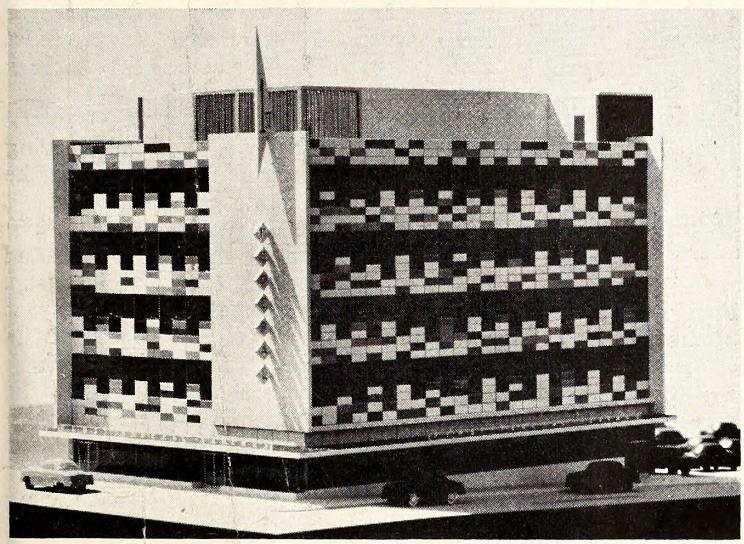
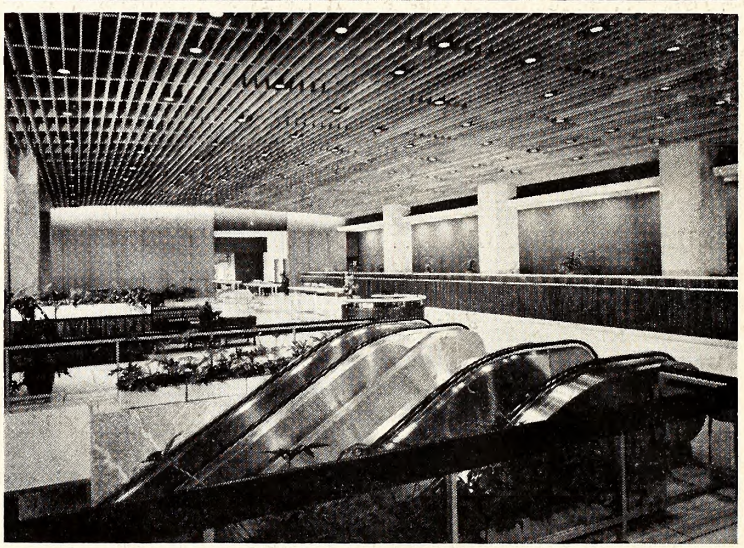
Raleigh

THE E. S. C. QUARTERLY

VOLUME 19, NO. 1-2 WINTER-SPRING, 1961







Employment Security Commission of North Carolina

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Finance Edition

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The E. S. C. Quarterly

(Formerly The U.C.C. Quarterly)

VOLUME 19, NO. 1-2 WINTER-SPRING, 1961

Issued at Raleigh, N. C. by the

EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

Commissioners: Mrs. Quentin Gregory, Halifax; Dr. Maurice Van Hecke, Chapel Hill; R. Dave Hall, Belmont; W. Benton Pipkin, Reidsville; Bruce E. Davis, Charlotte; Crayon C. Efird, Albemarle.

State Advisory Council: Public representatives: James A. Bridger, Bladenboro, Chairman; Sherwood Roberson, Robersonville; W. B. Horton, Yanceyville; Mrs. R. C. Lewellyn, Dobson, and Dr. J. W. Seabrook, Fayetteville; Employer representatives: A. L. Tait, Lincolnton and G. Maurice Hill, Drexel; Employee representatives: Melvin Ward, Spencer, AFL and H. D. Lisk, Charlotte, CIO.

HENRY E. KENDALL ..... Chairman

R. FULLER MARTIN ..... Director
Unemployment Insurance Division

JOSEPH W. BEACH ..... Director
North Carolina State Employment Service Division

TED DAVIS ..... Editor
Public Information Officer, Member Public Relations Society of America

MARTHA JACKSON ..... Associate Editor

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Top Left: Nine Local Office employees of the Employment Security Commission are shown during a tour of the Central Office. Brought in for a week's training they are, left to right: Earl Swann, Wilmington; Charles Leatherwood, Asheville; Arthur Danielson, Durham; William White, Gastonia; Ruth Felton, Raleigh; Jesse Beatty, Gastonia; Glenn Smyre, Lincolnton; Allen Bailey, Jr., Raleigh; Jim Fox, Hickory. Pointing to the machine's focal point is Plans, Methods and Procedures Analyst Theodore Whitley who conducted the trainees on the tour.

Top Right: The Planning Committee of Winston Mutual Life Insuronce Company, Winston-Salem, poses for the QUARTERLY. Left to right, are A. W. McKnight, Agency Secretary; C. L. Hill, Secretary; Attorney P. A. Simmons, Agency Directar; E. E. Hill, President; A. W. Harper, Auditor; George C. Hill, Comptroller; and Mrs. M. M. Bausman, Treasurer.

Center Left: New Home Office of First Federol Savings and Loan Association, Raleigh, now under construction at the corner of South Salisbury ond West Martin Streets. This is probably the first building in the State built with a basement constructed as a fall-out shelter.

Top Right: Wachovia Bank ond Trust Company, Charlotte Branch, main lobby. Designed for maximum banking service, convenience and comfort, the spacious lobby is on the second floor and is one of the most modern and impressive banking rooms in the South. Covering 11,000 square feet, it contains a 100-foot-long teller's counter of Brazilian rosewood and marble along with desks of officers serving the public. Electric moving stairways, automatic elevators and terrazzo steps provide customers with three means of easy access from the building lobby at street level to the second floor ond main banking lobby.

Bottom, Left: Governor Terry Sanford and Alex Galloway, President of R. J. Reynolds Tobacco Company, Winstan-Salem, give serious consideration to problems confronting the newly Chartered North Carolina Traffic Safety Council. The Council was formed by private citizens at the suggestion of the Governor.

Boftom Right: Studying ideas which beget industries is one of the strongest teams ever formed in the interest of raising North Corolina's economic level. They are, left to right: Roy Wilder, Assistant Director of the Department of Conservation and Development; Bill Henderson, Administrator of the Commerce and Industry Division, C&D; and Hargrove "Skipper" Bowles, Director of the Department of Conservation and Development.

CHAIRMAN'S COMMENTS

HENRY E. KENDALL, *Chairman*
Employment Security Commission

We believe this edition of THE E. S. C. QUARTERLY is the most complete exposition of North Carolina's enterprising financial institutions published. Practically every type financial agency is included within these covers.

The State, without private enterprise and the world of finance, would have no economy. There could be no factories, farms, or schools. This number of the QUARTERLY contains more than 150,000 words about North Carolina's financial picture.

KENDALL

As the economy of the State rapidly expands and rises, the services of the Employment Security Commission must also increase. Demands on the Agency grow and new methods and more efficient operations are coming about. Constant self-evaluation by the ESC helps bring about these changes to cope with the problems of economic growth.

The North Carolina Traffic Safety Council, recently chartered, is described in detail in one article of this issue. Employment Security has a significant interest in this aspect of the State's economy. Every life that is saved through the efforts of this organization means one less worker for whom a replacement must be found. One less person to recruit, screen, test, train and place. Thousands of dollars are lost in training and experience each time an adult life is snuffed out on our highways. Reducing deaths and maiming accidents allows the ESC to give more time to those workers entering the labor force in increasing numbers every year.

Another article shows the impact of the industrial growth of the 1955-1959 period on our economy. You may also read the story of the Temporary Extended Unemployment Compensation program. President Kennedy signed the act March 24. The probable effect of this program, and the anticipated number of exhaustees to be affected are pointed out.

Tourism, a recent survey purports, is the third money-producing industry of our State. The story of one facet of tourism is told in this edition. More than 2300 conventions, conclaves, sales meetings, conferences, associations and other major gatherings convene in this State each year. These conventions produce many jobs for North Carolina's labor force. Not only are direct service jobs created, but many fringe jobs are brought about in the production of foods, souvenirs and clothing. Pointed up is the value of the new convention dining room at the Morehead Biltmore in Morehead City. This is the first facility on the coast that can easily handle banquets for more than 450 guests at a time. This one addition will increase the demand for many workers in the Carteret County area.

Most of the financial and other institutions listed in this edition use the services of the ESC Local Offices to fill vacancies. When Local Offices are unable to fill jobs, the State-Wide Clearance Office is put to good use and often from its inventory come workers from other sections for local needs. In our files are many letters attesting the effectiveness of the ESC in filling these openings.

The cooperation of the Research and Statistics Bureau of the ESC with the State Board of Education and the U. S. Department of Labor is depicted in the story of the skills survey now being conducted. More than 1000 employers will be interviewed about their present and anticipated future need for skilled workers.

—Continued on page 11—

FUNDAMENTALS OF THE EMPLOYMENT SECURITY PROGRAM

By W. D. Holoman, *Chief Counsel*
Employment Security Commission
of North Carolina

The Employment Security Program has been in existence in North Carolina for twenty-four years, yet it is still a relatively new program as time is counted in the life of a State or of the Nation. It can be said that the Employment Security Program is still in its infancy. There are many phases of the Employment Security Program which vitally affect the economy of our State and Nation, and which particularly affect workers and employers.

HOLOMAN

There have been many developments in this program and many changes which have been brought about by our changing economy. Obviously it will not be possible to deal with all of these developments and changes in this discussion. It may be interesting, however, to examine briefly the background of the Employment Security Program and some of the more significant features in respect to it. The Employment Security Program involves many aspects of our industrial and social life.

The Social Security Act was passed by Congress in 1935, and it contained several programs dealing with social problems. These programs were formulated for the betterment of mankind and were translated into what is generally known as the eleven titles under the Social Security Law.

One of the eleven titles deals with unemployment insurance, now more commonly termed Employment Security. The program, as the name implies, is directed toward the employment security of workers.

In consequence of the enactment by Congress of the Social Security Act in 1935, the Unemployment Compensation Law was passed at a Special Session of the North Carolina General Assembly during December 1936. It was necessary to call this special session so that legislation could be adopted by a deadline provided in the Federal Act, and so that North Carolina employers could get advantage of the offset provisions provided for under the Federal Unemployment Tax Act.

The Legislature passed what was first known as the Unemployment Compensation Law which created the Unemployment Compensation Commission of North Carolina. Those designations did not properly identify the program, so in 1947, the Legislature changed the name of the Unemployment Compensation Law to the Employment Security Law, and likewise changed the name of the Commission to the Employment Security Commission.

The Employment Security Commission, which administers the Employment Security Program, is solely a State agency administered by the State, but our funds for administrative purposes come from Washington. Our Legislature, therefore, makes no appropriation for our program.

For a number of years until recently, the Federal Unemployment Tax Act has imposed a 3 percent tax on all employers, with certain exemptions, who are subject to that Act. An offset of 2.7 percent is allowed to employers who are covered under a State Employment Security Law; provided, that the State law meets certain basic standards set forth in the Federal Act. Under this joint program those employers, who are subject, pay directly to the State on the basis of 2.7 percent of their payrolls and to the Federal Government they have been paying, until recently, three-tenths of one percent on their payrolls, which of course, when added together, makes up the 3 percent over-all tax which has been imposed by the Federal Unemployment Tax Act.

In 1960, Congress amended the Federal Act and increased thereby the over-all tax to 3.1 percent of the payrolls of covered employers. By that amendment the Federal Unemployment Tax rate was increased from three-tenths of one percent to four-tenths of one percent beginning with the calendar year 1961. The basic tax to the State still remains 2.7 percent. The rate for overdrawn accounts runs from 2.8 percent to 3.7 percent.

The State law must conform to certain requirements set forth in the Federal Act, and it must be administered in substantial compliance therewith in order for the employers in this State to get credit against the Federal tax of 3.1 percent; otherwise, employers would be required to pay the full tax of 3.1 percent to the Federal Government and 2.7 percent to the State of North Carolina, which would be double taxation.

The operating expenses of the State agency come from the four-tenths of one percent which the Federal Government collects directly from employers. This four-tenths of one percent, which is paid by covered employers directly to the Federal Government, is put into the general fund of the United States and until recently was not earmarked. In 1955, however, "The Reed Bill" was passed by Congress earmarking that fund. That bill provided that there should first be built up a 200 million dollar reinsurance fund for loans to States who were in distress and that such fund should be maintained. Then after the payment of the allotments to the States for administrative purposes, and after the payment for the administration of the Federal Act, the account of each State was credited with the pro rata share of such funds, which in turn, was credited back to the accounts of the employers on a pro rata basis. This law became effective July 1, 1955, and we received our first credit on July 1, 1956.

Since the amendments by Congress in 1960, the Federal Act provides for the transfer of excess tax collections to the LOAN FUND until such LOAN FUND has reached 550 million dollars. After this amount has been reached the ADMINISTRATIVE FUND is to be built up to 250 million dollars. After this goal has been obtained, any overage is to be returned to the trust funds of the States in accordance with the formula provided in the Reed Act except that the overage of any State with an outstanding loan will be applied against the loan.

The Employment Security Commission is composed of two coordinate divisions, the Employment Service Division, and the Unemployment Insurance Division. The main objective of the Employment Service division is to maintain employment and to find jobs for unemployed workers. The main objective of the Unemployment Insurance Division is to pay workers who are out of work through no fault of their own, and who are able and available for work—to pay benefits in order to bridge them over a period until they can find work. A very important function of the Unemployment Insurance Division is the collection of taxes from covered employers from which benefits are paid.

The objectives of unemployment insurance and of employment service are identical. They are both directed toward employment security of the worker. Both programs serve the same end—to help the worker find a job when he is unemployed and to help him bridge the gap in income between jobs.

It is no part of the Employment Security Program to pay people who do not want to work. The test is not whether the unemployed worker needs the money, but whether he lost his job through no fault of his own and whether he wants another job; that is why a worker must register at a public employment office, be able to work and actively seek work, before he can be considered for benefits.

At this point it may be well to consider what has been declared to be the public policy of our State as expressed by the Legislature when the law was passed in 1936, and which has not been amended since its passage. Section 96-2 of the General Statutes of North Carolina provides as follows:

> "Declaration of State public policy—As a guide to the interpretation and application of this chapter, the public policy of this State is declared to be as follows: Economic insecurity due to unemployment is a serious

menace to the health, morals, and welfare of the people of this State. Involuntary unemployment is therefore a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burden which now so often falls with crushing force upon the unemployed worker and his family. The achievement of social security requires protection against this greatest hazard of our economic life. This can be provided by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment to provide benefits for periods of unemployment, thus maintaining purchasing power and limiting the serious social consequences of poor relief assistance. The legislature, therefore, declares that in its considered judgment the public good and the general welfare of the citizens of this State require the enactment of this measure, under the police powers of the State, for the compulsory setting aside of unemployment reserves to be used for the benefits of persons unemployed through no fault of their own.

The original law contained a provision whereby all services performed by an individual for remuneration were deemed to be employment subject to the chapter unless it was shown to the satisfaction of the Commission that the services met certain conditions set forth in what we generally called the "ABC" provisions of the Act. In order for the services to be excluded from employment, the tests set forth in such section required (A) the individual performing the services must be free from control and direction over the performance of such service both under the contract of service and in fact; and (B) such services must be performed outside the usual course of the business for which the services are performed or that the services be performed outside of all the places of business of the enterprise for which the service is performed; and (C) the individual performing the services must be customarily engaged in an independently established trade, occupation, profession or business.

The Supreme Court of North Carolina construed the Declaration of State Policy quoted above in the case of *State* v. *Willis Barber & Beauty Shop*, 219 N. C. 709, 15 S. E. (2d) 4. The court stated in that opinion that the intent of the Legislature was to provide a wide scope in the application of such law in order to mitigate the economic evils of unemployment, to bring within its provisions employments therein defined beyond the scope of existing definitions or categories, and that all doubts as to constitutionality should be resolved in favor of the validity of the Employment Security Law and all of its provisions. It was obvious that the court had in mind the definition of employment which was then contained in the law and which has been referred to as the "ABC" provisions, for certainly if those so-called "ABC" provisions were construed strictly the law encompassed many employments beyond the scope of existing definitions, and it was only in rare instances under such definition of employment that one could be an independent contractor. It was obviously the intent of the Legislature, with that definition of employment in the law, to reach out and include as many individuals as possible so that such individuals might be given protection from the evils of unemployment.

Under the definition of employment which was originally in the law coverage, therefore, went well beyond what is generally known as the master-servant relationship. Objections to this far-reaching definition in the law came from many sources and the Employment Security Commission realized that the provisions which were originally contained in the Act were rather harsh. Consequently, the 1949 Legislature repealed the original definition of employment which was commonly referred to as the "ABC" provisions, and adopted a definition of employment which is much more realistic based on the common law doctrine of master and servant. This change in the definition of basic coverage requirement under the law obviously lightened the burden of some employers by eliminating from coverage those individuals who were obviously independent contractors as known at common law. Other coverage provisions have been amended from time to time.

From the inception of the Employment Security Program in 1937 until December 31, 1955, basically the program covered employers having as many as eight or more individuals in employment for as many as twenty different weeks within a calendar year, with certain exemptions such as agricultural labor, household and domestic servants, etc.

In 1954 Congress amended the Federal Unemployment Tax Act to extend its provisions, effective January 1, 1956, to employers with four or more workers during twenty weeks in a calendar year. Previously, the Federal law covered only those employers with eight or more persons, just as did the State law.

The amendments to the Federal law forced North Carolina to amend its law to extend coverage to those employers with four or more individuals in employment for as many as twenty weeks within a calendar year. Had North Carolina not amended its law those employers with from four to seven employees, inclusive, would have been required to pay the entire tax to the Federal Government without providing benefits to their employees.

Approximately 10,500 additional firms have become subject to our Act, and approximately 55,000 additional workers have been added since such amendments to our law effective January 1, 1956. The newly-covered employers are those employing four to seven workers inclusive.

Few realize the extent to which our economy is affected by the Employment Security Program. It is a big program and has a tremendous impact upon our economy. The number of covered employers subject to the Employment Security Law as of December 31, 1960, was 34,070 and there are almost a million workers covered under the program.

Since contributions or taxes first became payable in 1937 through December 31, 1960, contributions collected amount to $493,453,869 and interest earnings on this sum as of December 31, 1960, amounted to $63,611,368, making a cumulative total of interest and contributions of $557,065,237. These amounts do not include the Reed Bill funds which we have received since July 1, 1956, which amount to $2,545,480. We have paid benefits through December 31, 1960, in the total sum of $374,524,300, which left a balance in our reserve fund as of December 31, 1960, of $185,086,417.

The Employer Experience Rating Provisions of the law were adopted in order to encourage efforts towards stabilized employment. The law provides an incentive in the form of reduced tax rates to employers who give steady work. Those employers who provide reasonably steady employment can look forward to a reduction in their tax rates. Employers who fail to provide, or who are unable to provide, reasonably steady employment can be allowed no rate reduction. Each covered employer in North Carolina has a separate account, and if an employer's account meets certain standards, then he is entitled to a reduced rate.

The relationship between contributions credited to the employer's account and the benefits charged against it will determine whether or not he is eligible for a reduced rate. Certain standards or conditions must be met before an employer is entitled to a reduced rate. These standards or conditions are technical in nature and will not be discussed.

The primary aim of the Experience Rating provisions is to encourage employers to reduce unemployment by stabilizing their operations to the greatest extent possible.

Experience rating accomplishes this purpose by using the basic insurance principal of taxing according to the risk involved. The basic idea of experience rating is to fix responsibility for unemployment. It is those employers who have a large turnover in personnel who find it difficult to get a reduced tax rate.

The normal State tax rate is 2.7 percent or $2.70 on the $100 payroll. It is possible under the North Carolina Law for an employer to get his rate reduced to 10¢ on the $100 payroll. It takes an employer at least three years to get a reduced rate. Rates are reduced on a graduated scale.

Since the beginning of the program employers in North Carolina have saved through 1959 $299,271,241 as a result of reduced rates through experience rating. It is estimated that by the end of 1960

employers had saved $324,400,000. So if employers maintain steady employment it is highly possible that they will enjoy a reduced rate at the end of a three-year period.

There is one other phase of the program which should be emphasized. When ever a claimant for benefits files a claim and there is any question whatever as to his eligibility or if there is a possibility that he is subject to a disqualification or penalty, the matter is referred to a Claims Deputy who sends a notice to the last and base period employers. Employers are urged to have a representative at the hearings before the Claims Deputies and the Appeals Deputies in order to give evidence as to the real cause of the claimant's unemployment and availability. There is provided in the law a system of appeals whereby an aggrieved party may appeal from a Claims Deputy's decision to an Appeals Deputy, and if not satisfied, to the Commission, and ultimately to the courts. The Claims Deputies, Appeals Deputies, as well as the Commission, must find facts based on competent recorded evidence. Though employers may have advised the Commission orally or by letter of the circumstances surrounding a claimant's separation, or the circumstances in connection with his eligibility, facts cannot be found from such information as the Commission and its deputies are bound by the evidence. It can be understood, therefore, that if an employer does not appear, a claimant may come into a hearing and testify; whereas, the employer may have facts entirely to the contrary. Yet if the employer is not present, facts must be found according to the claimant's sworn testimony. Benefit payments are charged to employer's accounts which tend to increase or keep rates up.

It is interesting to know that claimants appear in approximately 85 percent of the hearings before Claims Deputies; whereas, employers appear at only 15 percent of such hearings. As a result of the hearings before Claims Deputies, about 60 percent are held ineligible or are disqualified for a certain number of weeks. What would the percentage be if 85 percent of all employers appeared? Employers are urged, therefore, to attend these hearings.

The Employment Security Commission is an administrative agency and all of its representatives are anxious to be of service to employers and workers alike. Do not hesitate to call upon the agency or any of its representatives for any information desired. You may be assured that we welcome the opportunity to be of service and the Commission desires to administer the program equitably to all.

NORTH CAROLINA LICENSED SECURITIES DEALERS

The following are the licensed dealers in securities registered with the Secretary of State. These 113 dealers, whose home offices are listed with the firm name, employ more than 450 salesmen who are also registered with the Secretary of State. Registrations listed are up for renewal March 31, 1961.

Abbott, Proctor & Paine, Richmond 19, Va.
Allied Securities Corporation, Greensboro, N. C.
American Commercial Bank, Charlotte, N. C.
American Diversified Securities, Inc., Washington 6, D. C.
American Securities Company, Charlotte 2, N. C.
Amott, Baker & Co. Inc., New York 38, N. Y.
Anderson & Strudwick, Richmond, Va.
FIF Associates, Inc., Denver 3, Colo.
Bache & Co., Raleigh, N. C.
C. E. Beman, Laurinburg, N. C.
Blair & Co. Incorporated, New York 5, N. Y.
Robert E. Boyd d/b/a, Boyd Investment Company, Winterville, N. C.
Branch Banking & Trust Company, Wilson, N. C.
Alex. Brown & Sons, Baltimore 2, Md.
Brown, Bechard & Co., Ltd., Norfolk, Va.
Brown, Madeira & Company, New York 5, N. Y.
Bruns, Nordeman & Company, New York 5, N. Y.
Calhoun & Company, Spartanburg, S. C.
Capital Securities Corporation, Greenville, S. C.
Carolina Securities Corporation, Raleigh, N. C.
Cherokee Securities Corp., Southern Pines, N. C.
Courts & Co., Atlanta 1, Ga.
Thomas Darst and Company, Southern Pines, N. C.
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Dick & Merle-Smith, New York 5, N. Y.
R. S. Dickson & Company, Inc., Charlotte 2, N. C.
UBS Distributing Corporation, Boston, Mass.
Dow Corning Corporation, Midland, Mich.
Dow Theory Forecasts, Inc., Hammond, Ind.
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Eastman Dillon, Union Securities & Co., New York 5, N. Y.
Frank L. Edenfield & Co., Miami 38, Fla.
Equitable Securities Corporation, Nashville, Tenn.
Erwin & Co., Inc., Durham, N. C.
Federated Investors, Inc., Pittsburgh 22, Pa.
Ferebee & Company, Andrews, N. C.
Fidelity Management Company, Richmond, Va.
First-Citizens Bank & Trust Company, Smithfield, N. C.
First Securities Corporation, Durham, N. C.
Fund Investments, Inc. of the Carolinas, Charlotte 3, N. C.
Glore, Forgan & Co., New York 5, N. Y.
Goldman, Sachs & Co., New York 5, N. Y.
Goodbody & Co., New York 4, N. Y.
Hallgarten & Co., New York 5, N. Y.
Halsey, Stuart & Co., Inc., Chicago 90, Ill.
Hamilton Management Corporation, Denver 17, Colo.
E. L. Hardin & Company, Incorporated, Salisbury, N. C.
Harriman Ripley & Co., Incorporated, New York 5, N. Y.
Harris, Upham & Co., New York 5, N. Y.
Heritage Securities, Inc., Columbus 16, Ohio
R. L. Hoffman d/b/a Hoffman Agency, Charlotte, N. C.
Hornblower & Weeks, New York 5, N. Y.
Interstate Securities Corporation, Charlotte, N. C.
FIF Investing Associates, Inc., New York 36, N. Y.
Investors Diversified Services, Inc., Minneapolis 2, Minn.
Jackson & Smith, Gastonia, N. C.
Kidder, Peabody & Co., New York 5, N. Y.
King Merritt & Company, Inc., New York 4, N. Y.
Ralph B. Leonard & Sons, Inc., New York 4, N. Y.
Loomis-Sayles & Company, Inc., Boston 10, Mass.
Joe McAlister Co., Greenville, S. C.
McAlister, Smith & Pate, Inc., Greenville, S. C.
McCarley & Company, Inc., Asheville, N. C.
McDaniel Lewis & Co., Greensboro, N. C.
McGhee & Company, Cleveland, Ohio
S. Wade Marr, Elizabeth City, N. C.
Mason, Garlington and Wilcox Co., Atlanta 5, Ga.
Mason-Hagan, Inc., Richmond, Va.
Mason & Lee, Inc., Lynchburg, Va.
Joe K. Matheson, Hickory, N. C.
J. Sturgis May and Company, High Point, N. C.
Maynard Investment Company, Hamlet, N. C.
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Morrison and Company, Inc., Charlotte 2, N. C.
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Smith, Clanton & Company, Greensboro, N. C.
Southern Investment Company, Charlotte, N. C.
James C. Spooner, Arden, N. C.
Sterling Fund Associates, Inc., Charlotte, N. C.
Strader and Company, Inc., Lynchburg, Va.
John G. Taylor d/b/a Taylor Investment Company, Kinston, N. C.
Thomson & McKinnon, New York 4, N. Y.
Howard C. Traywick & Company, Inc., Atlanta 3, Ga.
Trust Company of Georgia, Atlanta 2, Ga.
United Securities Company, Greensboro, N. C.
United Services Planning Association, Inc., Fort Worth 16, Tex.
Vance Securities Corporation, Greensboro, N. C.
Vaughan and Company, Wilmington, N. C.
Virginia Securities Investment Corp., Newport News, Va.
Wachovia Bank & Trust Company, Inc., Winston-Salem, N. C.
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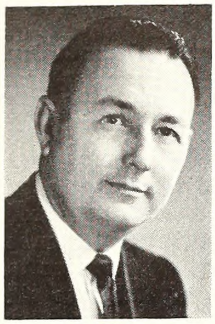
The first offices in North Carolina were opened in the middle 1920's and at the present time are located in Charlotte, Greensboro and Raleigh. The accompanying pictures are of the operation of Bache & Co. in Raleigh, In the early years the name of the firm was J. S. Bache & Co. and was changed later on to Bache & Co.



YOUNG

Bache & Co. is the oldest member firm in the investment business under the same management family for a period of over eighty years. We are the most diversified investment house in the United States, handling every phase of investments for our customers. To do this we set up separate departments to handle more effectively the needs of our customers. We have one of the largest Research Departments; an over-the-counter department; a mutual fund department; a metal department; a bond department, both municipal and corporate bonds; an institutional department; a syndicate department; a buying department; investment supervisory department; and the largest commodity department on the street.

In the early years most brokerage concerns operated the branch offices with one or two people to staff them. Either a Morse wire was used to send and receive orders and information for our customers or Western Union telegrams were sent. Practically all offices had the windows painted black so you could not see in. There seemed to be an air of secrecy connected with investments and consequently most people were not versed in the ways of the investing world. Some people actually thought that only the wealthy could invest. After World War II, a revolution in the investment business emerged and since that time great strides have been taken by the industry. Bache & Co. has pioneered a lot of changes in the investment business that are in practice today, and is still doing so.

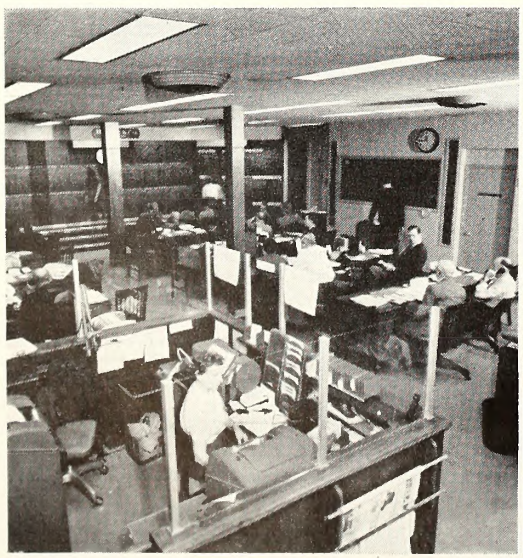
One of the first things to be done was to remove the black paint from the windows. We modernized the branch offices throughout the system. Before, when a prospective customer went by a branch office, it was dark and secretive, it became as open as a supermarket, well lighted and inviting to the eye. We enlarged our personnel in the branch offices and embarked upon a training program designed to enlist only the highest calibre of trainees. These trainees are now sent to the home office in New York for their training period and when they complete the courses they are ready to return to the branch offices fully registered by the New York Stock Exchange. They are schooled in the highest ethical standards of conduct in our business.

We also believed that unless the public was educated, our job was only half complete. We started public information programs of lectures, forums, and films to give more understanding of investing. We began a massive campaign of advertising in newspapers, radio and various news media to get across to the public our story. From a modest start in the middle 1940's, our budget last year for advertising alone was almost ¾ of a million dollars.

We installed high speed private wires for the purpose of sending orders directly to the exchange floor where the orders are executed. When the order is executed it is sent back over another circuit and it is possible to execute a market order in a matter of minutes. We also installed a high speed private news wire system to all branch offices solely for the purpose of transmitting information of importance to investors. This continuous service is available to all of our customers and makes it possible for them to get the latest news on a company or situation so that they can utilize it to their advantage. The pictures you see here illustrate the fast, efficient service that Bache & Co. supplies to our customers.

In our modern society, change is one thing that occurs every moment. Bache & Co. is aware of this and is constantly improving the service which we supply to our customers. Our country is growing, Bache & Co. is growing and will continue to do. This is why we have earned the title "THE STAMP OF QUALITY".

Bache & Co.'s Raleigh Office, looking through the front door from South Salisbury Street.



Left, shows communications department of Raleigh Office, Center, Raleigh Manager Robert J. Young chats with a customer. Right, foreground shows customers watching the day's trading on the board and in background salesmen handle telephone calls while three "casual" watchers may be seen standing in the rear.

R. S. DICKSON RANKS IN TOP SEVENTY

By Bill Hensley
Director Public Relations

One of the nation's leading investment banking firms is a North Carolina company which last year ranked in the top 70 among the security dealers throughout the United States.

R. S. Dickson and Company, Inc., whose principal office is in Charlotte, is the largest house on the east coast between Washington, D. C., and Miami, Florida.

Acting as underwriters, dealers and distributors for corporate and municipal securities, R. S. Dickson and Co. has branch offices in New York, Chicago, Atlanta, Richmond, Raleigh, Greensboro, Columbia, Greenville, Jacksonville, St. Petersburg and Miami.

HENSLEY

In 1960 the Tar Heel firm had a business volume of over $175 million and the company had a net worth of nearly $5 million. It has been estimated that R. S. Dickson and Co. has distributed nearly two billion dollars worth of securities since the firm was founded in 1919. Untold millions of that amount were for the expansion of North Carolina corporations and municipalities.

The history of R. S. Dickson and Co. is as intriguing as the stock market itself. Rush Dickson, the founder and present Chairman of the Board, started in the securities business in modest fashion when he opened his first office in Gastonia in 1919. His first office con-

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1. Rush S. Dickson, faunder and chairman af the nvestment firm which bears his name.
2. William H. Palmer af R. S. Dicksan's Municipal Bond department canfers an a bond issue with Lagan V. Pratt, vice president in charge af the band department.
3. J. W. Berry Reid, branch manager af R. S. Dickson and Campany's Greensbaro affice, dictates a teletype message to Judy Knight.
4. R. Stuart Dickson, the firm's administrative vice president and son of the faunder, goes over figures with one of the company's branch offices. Each day he approves or disapproves deals which would cammit the firm to millians af dallars in stack issues.
5. CHARLOTTE OFFICE SALESMEN — Registered representatives assigned to the firm's Charlotte affice go aver the day's activities with R. Carsan Rase, assistant vice president in charge af the Charlotte sales affice. They are Rufus Gwyn, Francis Price, Robert Barlowe, Rose and William E. Caxe.
6. RECEPTION AREA — Here is the campany's reception area at the principal affice in Charlatte. The receptionist is Helen Blantan.
7. The hub of any securities dealer is the Stock Trading Department. Here is a view of the R. S. Dicksan trading desk. Left to right are Zeke Jahnston, Walter Dulin, asst. vice president J. Lewis Bibb, vice president in charge Plata Pearsan Jr. and Fern Lewis.
8. COMPANY PRESIDENT — J. Murrey Atkins, center, R. S. Dicksan and Ca. president, discusses a possible new issue with assistant vice president William B. Philips Jr., left, and vice president Hugh G. Ashcraft Jr. af the firm's Underwriting Department.
9. P. T. Withers Jr., vice president in charge af the Sales Department, dictates a teletype message ta Mary Ball. The firm's 12 offices are connected by direct wire.

sisted of a typewriter, a telephone and a file cabinet. It also had a man whose reputation for being honest and dependable was solid as a rock. Rush Dickson's desire to make good was strong and sincere.

Actually, the venture into the investment field was a gamble—but it was a gamble which has turned out profitably for thousands of North Carolinians and the old North State itself. An aggressive 24-year-old cotton mill purchasing agent, he gave up a well-paying job to try his hand in a new field.

"It was a gamble I had to take," he recalls. "I had made a little money buying stocks and was fascinated by the way securities were bought and sold. I would never have been satisfied until I gave it a whirl."

In the past 41 years probably all of the state's one hundred counties—as well as city, town and state governments—have had bond issues underwritten by the Charlotte investment company. Last year the firm distributed over $100 million worth of general market and southern municipal bonds. About $25 million of that total was for issues in the two Carolinas.

"Seeing money we provided go to work for better highways, schools and other improvements has been a real pleasure," Mr. Dickson says proudly. "We have always been interested in helping the home folks. If issues were too big for us to handle alone, we joined with other investment bankers to help insure success."

Besides underwriting and distributing stock and bond issues, the Dickson company has helped numerous corporations in other ways. The firm has played a key part in many successful mergers and acquisitions and has been retained as financial consultants by corporations taking a close look at their capital structure.

R. S. Dickson and Co. has been a leader in the move to attract more industry to the Tar Heel state by offering capital and other assistance to interested concerns. The Perfecting Service Company of Charlotte, a recipient of Dickson aid, recently celebrated its tenth anniversary in North Carolina.

After a strong beginning in 1919 when the company made $65,000, a depression in 1920 resulted in a loss of $125,000. "That depression taught us two things," Mr. Dickson says emphatically: "watch for changes in business cycles and diversify holdings."

In order to diversify the company holdings, Dickson bought his first municipal bond issue in 1920 and his personal investment philosophy, "safety through diversification", is a result of the 1920 decline. "It is the age-old story of not putting all the eggs in one basket", he advises.

Dickson and Co. grew despite the '20 setback and opened its first branch office in Greenville, S. C., in 1922. A Goldsboro, N. C. branch followed in 1924 and the firm's New York office was opened in 1925.

Heeding the "bearish" advice of an economic expert, Dickson liquidated his personal and company holdings in 1928 and escaped the "Big Crash" the following year. From 1928 to 1932, the firm operated as brokers, buying and selling strictly on a commission basis.

The company's reputation and standing were enhanced considerably in 1932 when it bought defaulted municipal bonds. "We were one of the few investment bankers in the nation who made firm bids on the line", Mr. Dickson explains. "About sixty per cent of the North Carolina units were in default, since so much public money was tied up in closed banks."

Doing business on a "service before profit" theory, R. S. Dickson and Co. expanded rapidly through the years and is continuing to set a rapid growth pace. The company employs approximately 125 persons in its 12 offices.

Many large and well-known firms owe a portion of their success to R. S. Dickson and Co. Among the group are these North Carolina industries: Duke Power Co., Champion Paper and Fibre Co., Carolina Power and Light Co., Textiles, Inc., Drexel Enterprises, Piedmont Natural Gas Co., J. B. Ivey and Co., Rose's Five and Ten Cent Stores, Jefferson Standard Life Insurance Co., State Capital Life Insurance Co., Home Finance Group, Inc., Auto Finance Co., Carolina Telephone Co., Southern Bell Telephone Co. and others.

A giant among giants, R. S. Dickson and Co. has brought much prestige to the Tar Heel state because of its high standing in the investment field.

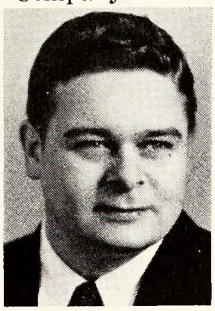
Here is Your Council of State

Governor Terry Sonford ond the Council of Stote. This photo, made in the Governor's Office in the Copitol shows, left to right: Chorles Gold, Insurance Commissioner; L. Y. Ballentine, Commissioner of Agriculture; Charles Carroll, Superintendent of Public Instruction; Thod Eure, Secretary of State; Frank Crane, Commissioner of Lobor; Henry L. Bridges, State Auditor; Wode Bruton, Attorney General; and Edwin Gill, State Treosurer.

INVESTMENT BANKING AT THE STATE'S CROSSROADS

By Marshall H. Johnson

McDaniel Lewis & Co., with its principal office in Greensboro, is North Carolina's second oldest independent investment banking firm. McDaniel Lewis was its founder and is now Chairman of its board of directors. The Company almost from its beginning has been located at the crossroads of the state in the Jefferson Standard Building.

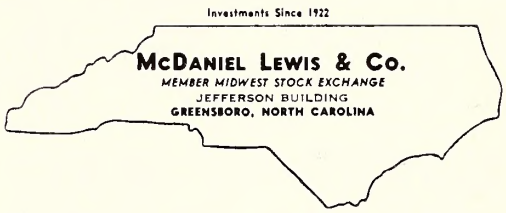


JOHNSON

McDaniel Lewis, a native of Kinston, a graduate of the University of North Carolina and an infantry officer in World War I, entered the municipal bond field in 1922 and became a specialist in the preparation and sale of bonds of North Carolina cities and counties before the Local Government Commission came into being. He was the author of the first published story about North Carolina Municipal Bonds, prepared for investors and for the instruction of salesmen, a publication which has had wide national distribution. He has for many years been a director of the North Carolina Municipal Council and has twice served as President of the Securities Dealers of the Carolinas. A public spirited citizen, he is currently the Chairman of the Executive Board of the North Carolina Department of Archives and History, served the entire seven years as Chairman of the Greensboro Selective Service Board in World War II; was a founder and for three years president of the Greensboro Historical Museum, and has served as presiding officer of several North Carolina patriotic and historical societies. He is a member of the Alpha Tau Omega Fraternity, the Greensboro Country Club and the Baptist Church.

For many years the company trademark has been an outline of the map of North Carolina. It believes, along with Governor O. Max Gardner, who, during the great depression, said "Our most cherished possessions are the faith, credit and character of North Carolina. Behind each bond of this state stands the character, honesty, integrity and resources of a people who will make many sacrifice to defend and protect the good name of North Carolina." Since 1934 the company has held membership in the Investment Bankers Association of America.

In the early thirties the company started trading Jefferson Standard Life Insurance Company shares and local bank stocks, both of which it has specialized in ever since. It then branched out into nationally and locally traded industrial issues and mutual funds. It was quite natural, with its early start, central location and interest in the full development of the economic and industrial potentials of North Carolina, that the company should also become an important factor in the underwriting and distribution of local and national corporate securities in diversified industries, as



well as municipal bonds. Beginning in the 1930's the company participated as an underwriter or distributor in several notable North Carolina issues, revenue bonds of the State Laboratory of Hygiene, revenue issues for the construction of the electric plant at Chapel Hill and several dormitories at the three

Principal officers of McDaniel Lewis Co., left to right: McDaniel Lewis, Chairman of the Board of Directors; Marshall H. Johnson, President; Edward R. Lowry and E. Kemp Reece, Vice Presidents.

1. View of Central Control Room showing secretaries, Vice-President Edward R. Lowry and President Marshall H. Johnson.
2. Corner of Trading Room showing teletypewriters which connect with dealers all over the notion, including at left direct wire to floor of Midwest Stock Exchange. Left to Right: Assistant Steve Wilkerson, Trader E. Kemp Reece, Vice-President; and Secretary Ruth Tickle.

units of the University of North Carolina, a revenue issue for the North Carolina Forestry Foundation, and State of North Carolina Highway and School Building Bonds. Also such corporate issues as the original sale to the public of shares of Burlington Mills, Cone Mills, Blue Bell, Inc., Auto Finance, Chadbourn-Gotham, Alba Hosiery, Drexel Furniture and Colonial Stores, to mention a few. The company has also acted as participating or managing underwriter or distributor for Carolina Telephone and Telegraph, Carolina Casualty Insurance, Piedmont Natural Gas, Roberts Company, Security Life & Trust, Carolina Power and Light, Duke Power, First Southern Company, Wise Homes, Southern Plastics Engineering, Black Panther, Cerlist Diesel, GMC Finance Group, Top-O-The-World Farms and Equipment, Crown Aluminum, Carolina Natural Gas, Carolina Pipeline, North Carolina Natural Gas, Jackson's Minit Markets, and many others.

The firm was instrumental in the formation of the first publicly held Small Business Investment Company in North Carolina, Pinnacle Investment Corporation (a Small Business Investment Corp.) Also, the Company was associated with others in the underwriting and sale of Public Housing Authority bonds.

Many years of association, experience and contacts with national leaders in the underwriting field have resulted in the company attaining underwriting positions in many of the nation's best known companies, some of which are American Telephone & Telegraph, Tennessee Gas Transmission, Transcontinental G a s Pipeline, Texas Eastern Transmission, Ryder System, and First Charter Financial Corp.

In addition to its underwriting activities the company maintains active trading not only in the shares of companies it underwrites but in such local and national companies as Jefferson Standard Life, North Carolina Railroad, State Capital Life, Pyramid Life, Occidental Life, Peninsular Life, North Carolina National Bank, Wachovia Bank & Trust, Bank of Greensboro, First Union National Bank, First Citizens Bank & Trust, Textiles, Inc., American-Marietta, Franklin Life, Nationwide Corporation, Richardson-Merrill Co., Bevis Shell Homes, Holiday Inns, Central Charge Service, Automatic Canteen, Automatic Retailers, Lucky Stores, Midland Capital Corporation, Investors Diversified Services, J. P. Stevens, Rose's 5-10-25¢ Stores, and many others, both listed and over-the-counter.

In the private placement field the most notable accomplishment was the company's sale of City Industrial Bank to Wachovia Bank & Trust Co., enabling the largest bank in Southeastern U. S. A. to achieve perhaps its greatest recent expansion in the City of Greensboro.

As sponsoring dealer the company has helped to qualify in North Carolina some of the best known mutual funds, and for many years has been distributor for Wellington, Putnam, Massachusetts Investors, Group Securities, National Securities, Commonwealth, Fidelity, Chemical, Incorporated Investors, Colonial Energy, Dreyfus and others.

The latest important development relating to the company was its installation in early 1961 of the first direct wire from Greensboro ever opened to the floor of any exchange. The wire goes without relay to the company's floor broker (trader) at the Midwest Stock Exchange in Chicago, from which point the company is able to execute transactions in stocks not only traded in on the Midwest but also in New York and other cities, including those on the economically fast growing Pacific Coast. This fast service complements the already wide service to buyers and sellers which the company has for many years conducted in the largest market in the world—the Over-the-Counter securities market. This same direct wire connects the company with certain other securities dealers in Georgia, South Carolina and North Carolina. Membership is maintained in Midwest Stock Exchange and Midwest Stock Clearing Corporation. A. C. Allyn & Co., Chicago, with branch offices in 31 cities, is the company's correspondent.

Marshall H. Johnson, a native of Raleigh, is President of the Company. He served during World War II in the Navy in the Pacific, and is an alumnus of the University of North Carolina. Working as a reporter for Dun & Bradstreet in Raleigh and Durham, he joined the company as Eastern Sales Representative in November 1947. He attended the I.B.A. Investment Banking Seminar at Wharton Graduate School of Finance for three sessions and received its certificate. He became a Partner of the firm in 1951 and Managing Partner in 1956. When the company was incorporated September 1, 1959, he was elected President. He served a term as Secretary of the Securities Dealers of the Carolinas, and was Chairman of the Southeastern Group State Legislation Committee of the Investment Bankers Association of America, when the North Carolina Securities Law was modernized. For two years he has been a member of the very important Business Conduct Committee of District 10, (Maryland, District of Columbia, Virginia and North Carolina) of the National Association of Securities Dealers, Clubs: Kiwanis; Greensboro Country Club; Director of Piedmont Sales Executives; Member of Alpha Tau Omega Fraternity, The Odd Fellows, and the Baptist Church. He has served as a director of First Southern Co., and is now a director of CMC Finance Group, Top-O-The-World Farms and Equipment Co., and Pinnacle Investment Corporation (a Small Business Investment Corp.)

Edward R. Lowry, vice-president, is in charge of the municipal and corporate bond, and institutional departments. A graduate of the University of Tennessee, he also studied for two years at the Wharton Graduate School of Finance, University of Pennsylvania. Before coming from Tennessee to North Carolina to enter the investment banking field he was purchasing agent for American Bemberg Corp. and North American Rayon Corp., Secretary and director of Harris Manufacturing Co. and director of Superior Hardwood Flooring Co. He joined McDaniel Lewis & Co. in November 1956 and became a General Partner in May 1957. On September 1, 1959 he was elected Vice President and director. He has had experience in corporate accounting and taxes on a local and statewide basis. Member Starmount Forest Country Club. Elder in the Presbyterian Church.

E. Kemp Reece, vice president, runs the trading department, assisted by Stephen L. Wilkerson. Mr. Reece is a native Tar Heel and graduate of Wake Forest College. Before joining the company in August 1956 he was sales representative in Central Carolina for George A. Breon Co., Manufacturing Druggist. He has been president of the Greensboro W. F. C. Deacon Club, and has been active as a member of the Junior Chamber of Commerce, the Kiwanis Club, Greensboro Country Club, is a Mason, and member of the Board of Stewards of the Methodist Church.

Besides the principal officers named above, the following are associated with the firm: in Greensboro, Cashier Jarvis J. Arthur, Jr.; Assistant trader Stephen L. Wilkerson, Vice President Kenneth C. Wible and C. Franklin Miller, registered representatives Willard C. Robbins and Ernest Kahn. Registered representatives in other cities: Vice President R. Thornton Hood, Kinston; Vice President Robert E. Lee, Jr., Greenville; Vice President Richard M. H. Stock, Morganton; Robert J. Clemens, Durham; John H. McKinnon, Red Springs; Charles C. Lucas Charlotte; A. L. Barham, Selma; and T. J. Alford, Roanoke Raipds.

The many activities of the company are important parts in the over-all objective and purpose of the company which is to provide North Carolinians and others with the means for planning and developing of personal and family estates, company profit sharing and pension plans, corporation and institutional investments, opportunity for capital appreciation and increase in investment income; in short, a complete service for those who have funds, or the means to accumulate funds, for investment. The company believes that "Invest in America" is a good rule to follow for achievement in the American capital system. Operating in "The Industry of Integrity" the firm naturally bases its success on public confidence.

J. LEE PEELER AND COMPANY OPENED IN 1946

J. Lee Peeler & Company, Inc.
Durham, North Carolina

With over 20 years experience in the financial world behind him at that time, J. Lee Peeler opened the door of the firm that bears his name in April of 1946. Having been associated with The First National Bank of Miami, The First National City Bank of New York, the Wall Street firm of Colgate, Hoyt and Company, and two local firms, Mr. Peeler decided to strike out for himself.

Today—1961—Lee Peeler is regarded by the municipal bond fraternity as one of the most highly qualified and competent authorities on municipal finance in the "Old North State." He is presently Chairman of the North Carolina Securities Advisory Committee, past President of The Securities Dealers of the Carolinas, and past President of The Raleigh-Durham Bond Club.

Since 1946, the Firm has taken part in hundreds of underwritings with participations totalling many millions of dollars. It is probable that there is no community in the state with which J. Lee Peeler & Co., Inc. has not become associated to the extent of buying and selling its debt obligations. It would be fair to say that whenever competitive bids are sought on any proposed bond issue in North Carolina, J. Lee Peeler & Co., Inc. will be among those expressing their views.

Associated with Mr. Peeler in the Municipal Department of the Company is his son, Jonathan, a vice-president of the firm, who works jointly in the operation of the department in addition to his duties as manager of the Charlotte branch office. Jon Peeler is also specializing in municipal bonds of South Carolina. He has been actively employed with the Company since 1951.

In recent months, J. Lee Peeler & Co., Inc. has embarked upon an expansion program with the long range view of full diversification into all forms of corporate securities and mutual funds in addition to the now thriving municipal bond department. The firm has always dealt in equities and mutual funds, but these areas have been largely incidental to the municipal bonds.

In November of 1959, Clyde L. Green joined the Peeler organization with the purpose of eventually heading up the Corporate Department. His responsibilities include research, trading, and corporate underwriting. Among the better market performers recommended from 1960 to date by J. Lee Peeler & Co. might be included: Aeronautical Electronics (Aerotron) Cowles Chemical Co., Crumpton Builders, Inc., First Union National Bank, Heinicke Instrument Co., and Spur Oil Co.

In April 1960, the well-known local firm of R. S. Hays & Co. merged with J. Lee Peeler & Co. "Bob" Hays, as he is known to his friends and colleagues throughout the state, then became a vice-president of J. Lee Peeler & Co. Mr. Hays has the Durham office as his home base.

In July 1960, J. Lee Peeler & Co. opened its Raleigh office when Lloyd E. Canady joined the Company as a vice-president. Mr. Canady was formerly proprietor of his own securities firm in Raleigh and later a member of the Howard C. Traywick organization of Atlanta.

George L. Lyon of Durham, a vice-president, has been in the securities business for a number of years—having been previously associated with First Securities Corporation of Durham and H. A. Riecke & Co. in their Daytona Beach office.

Responsible for cashiering operations of J. Lee Peeler & Co. is Mrs. Billie A. Bisplinghoff, Assistant Treasurer. Mrs. Bisplinghoff has been associated with the Peeler Company since 1955.

Also connected with the Company are Mrs. C. L. Yearwood, Jr. and Mrs. W. D. Harris in the Durham office and Mr. Harvey C. Elliott in Washington, N. C.

In the course of day-to-day operations, J. Lee Peeler & Co. is able to receive and execute orders for practically all types of securities, be they listed on major domestic exchanges or traded over-the-counter.

The Over-the-Counter Market, however, is the primary focal point. It is here that most of the dollar volume is handled because it is here that one may find traded most of the securities available to investors. U. S. Government obligations, municipal bonds, bank and insurance stocks, as well as some of the bluest of the blue chips among investment quality common stocks—all of the foregoing are traded over-the-counter and primarily only over-the-counter. It is for this reason then—the almost endless variety of securities available as well as the wide range of quality inherent in such a large selection—that Peeler & Co. prefers to emphasize the Over-the-Counter Market.

To customers, a number of services are available. First (and perhaps most important) is conscientious recommendation as to "buy," "sell," "hold," etc. with reference to specific securities. Second is prompt execution of orders. Finally is the Firm's readiness to analyze and discuss with every customer his holdings, his needs, and his objectives. The Firm's policy is to emphasize SERVICE—to all who wish it—regardless of whether their account is large or small.

The securities field is a large one and it is expanding at an accelerating pace. In the past, J. Lee Peeler & Co., Inc. has always been highly regarded but little known outside of the municipal bond professionals. In the future the Company plans to be equally well known and respected among investors generally and it is to that end that the scope of operations has been widened.

CHAIRMAN'S COMMENTS

—Continued from page 2—

Requests for copies of this edition of the QUARTERLY exceed the total number usually printed. While we would like to furnish everyone with as many QUARTERLIES as they request, our limited budget precludes this. However, our printers, The State College Print Shop, Raleigh, will gladly furnish reprints of four-page articles at $18 per thousand. These will have the same page-size as the QUARTERLY and will carry the line "As Reprinted from the E. S. C. Quarterly". These orders should be sent directly to the printer.

BACHE AND COMPANY IS INTERNATIONAL IN ITS SCOPE

(This is the story of an international financial firm.)

High-wheeled bicycles were all the rage in 1879; New York's current transportation problem concerned safety on the steam-powered El; in commercial use for only a year, the telephone was still a novelty as broker's equipment.

Then as now, Wall Street was the nation's financial nerve center, but the New York Stock Exchange was regarded by the majority with awe and a tinge of disgust. Stock trading was a highly specialized activity for professionals only, and the first million-share day was still some years in the future.

Against this background the brokerage firm of Leopold Cahn & Co., the forerunner of present-day Bache & Co., was founded on May 15, 1879. The following year, 19-year-old Jules Semon Bache, Leopold Cahn's nephew, started work as cashier. Son of a Bavarian glass merchant but himself a native New Yorker, he subsequently served as treasurer, Exchange partner, and active director and in 1892 the firm was reorganized under his name as J. S. Bache & Co.

In 1914, Harold L. Bache, like Jules, went to work for his uncle and except for service in the 308th Infantry during World War I, has ever since devoted his life to the work of the firm. Once again family history repeated itself and he in turn took over the reins as senior partner when the firm re-organized as Bache & Co. This change occurred in 1945, the year following his uncle's death on March 24, 1944 at the age of 82.

Today, Bache & Co. is the largest brokerage firm under one management

—Continued on page 22—

INVESTMENTS IN THE FUTURE — STORY OF FUND INVESTMENTS, INC.

By Margaret Barnard Brinson

Enter into a world of dreams—dreams that can be had only by planning today.

Ours is a business of making tomorrow's dreams come true through careful and factual planning today.

Fund Investments, Inc., of Charlotte, is an investment firm specializing in mutual funds. The primary objective of the Company is service to its clients. The Company serves everyone—from the lower economic class to the millionaire—from the college graduate to the person who could obtain only a few years of schooling—from the manual laborer to the company president. The Company even serves small children whose parents are planning now for college educations for these children. In essence, the Company serves **everyone.**

BRINSON

Fund Investments, Inc., was incorporated in the state of North Carolina in April, 1959, as Fund Investments, Inc., of the Carolinas (serving both North Carolina and South Carolina). The name was shortened in June, 1960, to allow for expansion to other states. As a beginning of this expansion, the management of Fund Investments, Inc., undertook the management of Fund Investments Inc., of Florida (formerly Washington Planning Corporation of Florida), in January, 1961.

The registered representatives of Fund Investments, Inc., come from any number of backgrounds. At present there are approximately 105 representatives working in North Carolina and South Carolina. Their backgrounds include teachers, lawyers, engineers, insurance agents, accountants, retailers, real estate developers, radio salesmen, writers, military personnel (both active and retired), furriers, merchants, truck drivers, mechanics, printers, housewives, sales representatives, etc. From such varied backgrounds they come to serve others of similar backgrounds. Fund Investments, Inc. constantly is searching for people who believe in mutual funds, who want to serve their neighbors, and who can sell a dignified and quality item, a person whom others will respect and whose advise they will follow. Such people Fund Investments, Inc., will train as registered representatives and investment consultants under the supervision of Mr. Clay L. Morgan, Director of Sales.

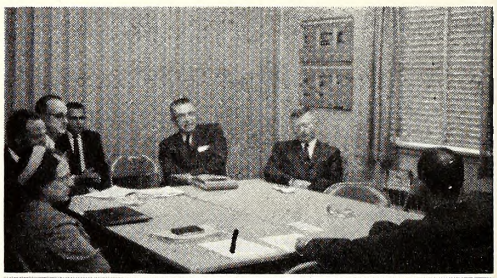
Today more than 2,500,000 people in the United States own about $18,000,000,000 in mutual funds. (Kalb, Voorhis & Co., "Odd Lots—from the News," January, 1961.)

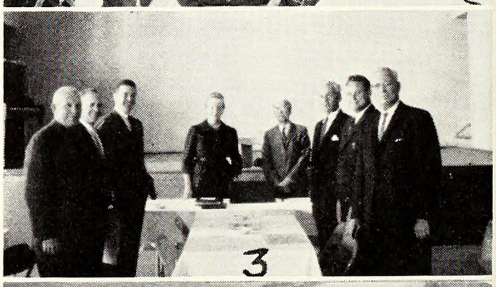
Mutual funds are the average man's way of letting his money have a change to grow. By combining his money with that of thousands of other investors, large and small he can afford the services of professional management to handle, invest, and supervise his money constantly—24 hours a day, 365 days a year. After all, investing is a full-time job which is best handled by professionals, men who have devoted their lives to the world of finance. You wouldn't try to perform surgery yourself, or argue your own law case, or even wire your house for electricity, unless you were trained to do so. Therefore, why try to invest your money—your future—unless you have the training, the knowledge, that comes from working constantly in a financial atmosphere where you will know exactly what is going on, what to do with your own money to get the best advantages? As we said, investing is a full-time job which is best handled by professionals.

This is how a mutual fund works. You invest your money, which is combined with that of thousands of other investors, and hire professional managers who will study financial trends and watch your investment constantly. Your money is invested in many stocks in order to spread the advantages and the risks. Four times a year you receive dividends from your investment (either in cash or traditional shares in the mutual fund), also, if a profit is made through sale of securities by the investing company, you receive your share (either in cash or additional shares in the mutual fund). You can liquidate your holdings when-

—See Investments, page 14—

Host of the Jocksonville, N. C., branch office wos Col. P. J. Speckmon, USMC (Ret.), Director of Military Sales and Branch Manager of the Jocksonville office. He is showing the new offices to Mr. Thomas J. Flaherty, Jr., (right) President of Universal Programs, Inc., of New York, special guest at the Open House.





1. Monday morning meeting of full-time representatives. From left to right: Miss Eleanor Corriher, Mr. William G. Potter, Mr. Booth W. Gillespie (of Kings Mountain, N. C.), Mr. Arthur D. Weese (Manager of Universal Services), Mr. H. Stanley MocClary, Mr. George B. Petty, Jr., (of Rock Hill, S. C.), and Mr. Clay L. Morgan (Director of Sales). Others are from Charlotte, N .C.

2. Representatives from North and South Carolina hold a "Eatin' Meetin'" at the Woman's Club in Charlotte in November, 1960.

3. New Board of Directors was elected at opening of Jacksonville, N. C. branch office. From left to right: Lt. Gen. J. P. Riseley, USMC (Ret.), RAdm. A. I. Malstrom, USN (Ret.), Mr. Thomas J. Flaherty, Jr. (President of Universal Programs, Inc., of New York, not o Board member), Sister Perfection, Miss Marjorie G. Hugo, Maj. Gen. Randall M. Victory, USMC (Ret.), Mr. F. Roger Page, Jr., and Mr. S. Holmes Plexico. Not pictured is Board Member Mr. T. Stuart Coffey, Jr.

4. Fund Investments, Inc., had a booth at the Mecklenburg County Fair in Charlotte in October, 1960. The booth was awarded a ribbon for being the "Most Creative" (one of two ribbons awarded to commercial booths). Representotives manning the booth are (left to right) Mr. John Edd Queen, of Shelby, and Miss Eleanor Corriher and Mr. Benny Templeton, both of Charlotte. Continuous films about mutual funds were shown in the theater area on the left. An interview room was at the right.

Author of this article for publication in the E.S.C. QUARTERLY is Margaret Barnard Brinson (Mrs. M. C. Brinson, Jr.). Mrs. Brinson is a graduate of the University of North Carolina with a Master of Arts degree in Communications. She was Promotion Writer and Public Service Director of WJZ-TV (Baltimore, Md.), after graduation. Upon returning to North Carolina in 1959, she accepted the position as the first Promotion Manager of the Charlottetown Mall. She resigned in October, 1960, to accept a position with Fund Investments, Inc., with which she had been registered as a part-time representative since June, 1960.

Joe K. Matheson — Investment Securities

JOE K. MATHESON
Investment Securities

When the Japanese dropped the bombs on our Naval Base at Pearl Harbor the shock waves emanating from the islands finally caught up with a Duke Power appliance salesman of the Hickory, N. C. Branch. A year later instead of electric appliances, this fellow found himself in the mutual fund business representing a Charlotte, N. C. firm (LOUIS G. ROGERS & COMPANY) who had for some years previously been the pioneer of this "new concept" in the investment banking field.

JOE K. MATHESON

At that time—1942—there were in N. C. only three or four registered securities dealers specializing in the sale of mutual funds. All of these were small operations—affectionately known in the trade as "one man shops". The larger dealers and houses for all practical purposes did not engage in the promulgation in the distribution of this "Boston type" investment—the 100 stocks in one idea.

It is generally accepted that the mutual fund industry was born in Boston in 1923. However the basic idea has been used in Europe for several hundred years. In 1942 when I entered the business, there were possibly twenty five fairly well known mutual funds. The entire assets of the whole industry was possibly between two and three billion dollars. Today there are over 150 mutual funds whose combined assets are over 15 billion and having more than 5 million shareholders. No wonder the mutual fund industry is called the financial marvel of this age. American mutual funds are owned by thousands of the people of foreign countries.

We Mutual Fund Specialists are a "race set apart" in the field of investment. Set apart in that we believe that in this fast moving kaleidoscopic economic world of ours that investors, large or small, need professional counsel and management. We hold that the busy executive and professional man in most instances is far too engrossed in his own affairs to be able to devote the time and "burn the midnight oil" necessary for consistent successful investing. Please note, we do not refer to speculation—just investing.

The writer represented the above mentioned Louis G. Rogers & Company who has been called in the industry as "The John the Baptist of the mutual fund industry in the South" until he (the writer) answered the call of duty and country—via the local draft board in early 1943 and after considerable schooling in Boston and Jacksonville finally ended up in the beautiful Hawaiian Islands where he served safely ashore and without distinction until the Navy discharged him November 11, 1945.

"I formed my own dealership in 1951 and hung out my shingle—Mutual Funds". I am listed as a broker/dealer specializing in mutual funds and am a member of the National Association of Securities Dealers. At that time I was the only registered broker/dealer between Charlotte and Asheville. This geographic factor required that in addition to my first love, mutual funds, that it was propitious that I offer an additional service in individual securities for the convenience of the residents of my immediate area. This I still do.

It is not my intention to use this article and privilege as a forum for the mutual fund industry. Instead I hope to possibly clarify the picture for those who may not be too well acquainted with this approach by a few observations from the standpoint of the dealer. By the use of the three cardinal principles of sound investing—professional selection wide diversification, and constant management, the mutual funds offer a dealer a tool he can trust and work with. The weight of responsibility that is inherent in the business of helping others invest hard earned money is felt by everyone who works for the best interest of his client. That burden is lightened for the dealer who used the funds as vehicles as he is always aware that his client's holdings are under constant professional management. Money is a most cherished

—See Investment Securities, page 14—

BETTY D. CANUPP

Carolina Securities Corp. Raleigh, North Carolina

One of the pioneer investment banking firms of North Carolina is Carolina Securities Corporation. Through its predecessor companies this firm has continued in uninterrupted operation since 1932, and is one of the oldest investment firms in North Carolina.

The Company's chief business activity is the buying and selling of corporate securities and bonds for individuals and institutions. The Company maintains an experienced research department which makes financial studies of industries and individual companies, and issues reports of their findings from time to time. Carolina Securities differs from the usual brokerage type securities firm in that it specializes more in supervisory service and long-term investment programs, rather than day-to-day trading.

ANDERSON

Another important phase of Carolina Securities' business is the supplying of capital for the expansion of new or existing industries. Through this underwriting activity Carolina Securities has been instrumental in the more rapid development of some of Carolina's best known companies. Among them are: Piedmont Aviation, Inc., Maola Milk and Ice Cream Co., Superior Cable Corp., Carolina Power and Light Company, Coble Dairy Products, General Telephone Company of the Southeast, Colonial Stores, Inc., Tidewater Natural Gas Company, Drexel Furniture Company, and several others.

President of Carolina Securities is Glenn E. Anderson, who has been with the firm since 1934. Recently he completed a year of service as Chairman of the Board of Governors of the National Association of Securities Dealers, the largest organization of brokers and securities dealers in the United States. He was also one of the founders and the first president of the Securities Dealers of the Carolinas. Chairman of the Board of Directors is Fred W. Reebals, Raleigh, who has been connected with the business since 1933. Other officers are C. Stradley Kipp, Vice President and manager of the Charlotte office; G. Hearst Rosser, Durham, Vice President; S. J. Steele, Raleigh, Vice President; J. W. Noneman, Raleigh, and G. Calhoun Pruitt, Rockingham, Assistant Vice Presidents; J. P. Abernethy, Raleigh, Secretary and Treasurer; and C. F. Crutchfield, Raleigh, Assistant Secretary.

Headquarters offices are in the Insurance Building, Raleigh, and full-time of-

—See Carolina Securities, page 18—

N. C.'s Manpower Resources and Training Needs

By James C. French
Bureau of Research and Statistics Staff

Seven Area Labor Market Analysts are now visiting firms throughout North Carolina seeking information relative to current and future manpower requirements. The need for this information stems from the growing shortage of well-trained technicians and skilled-craftsmen for industry.

Among other factors having a great effect on the current shortage of technical workers in our State is the rapid conversion from a basically agricultural economy to an industrial one. The phenomenal expansion of industry throughout the State, and the countless new applications of scientific development have also increased the demand for technically trained workers. There is a fast growing recognition of the important position played by the technician and the highly-skilled worker on the manpower teams of industry.

FRENCH

In North Carolina it is believed that the job of training workers is not altogether industry's responsibility. The state is aware of an ever-increasing challenge to keep its manpower abreast of the demand, and to anticipate local needs with well-planned and well-organized curriculums in the field of technical-vocational education. This challenge is being met to the limit of available resources and abilities. The 18 Industrial Education Centers now operating or being established throughout the State are already providing many hundreds of workers with critically needed skills. In the very near future, it has been said the number of people being trained by the Industrial Education Centers of North Carolina will exceed the combined enrollment of all State supported colleges and universities.

There is an urgent need, however, for a set of guidelines for use in planning and expanding a technical-vocational education program which is consistent with manpower requirements of employers among widely diversified industries. The Employment Security Commission of North Carolina has joined forces with the State Board of Education and the United States Department of Labor in an effort to assemble necessary occupational information for developing the needed guidelines. One of the first phases of the overall study as planned is a statewide survey of current and future technical manpower requirements and training needs.

Thus far, we have experienced excellent cooperation from the firms which have been contacted. Most of these, we have found, are concerned about technical manpower problems and they are usually more than willing to make any contribution they can toward further advancing vocational-technical education in North Carolina. Industry stands to gain an added source of much-needed technicians and highly skilled workers; likewise, industrial-vocational training can make a valuable contribution to the well-being of those individuals who seek to increase their own capabilities and earning potential.

The information being developed in this survey is intended to provide a sound basis for further development of the industrial productivity of the North Carolina workforce. It is believed that this program affords industry an opportunity to contribute to North Carolina's continued economic growth.

INVESTMENT SECURITIES

—Continued from page 13—

possession. It must be dearer than life itself—because we give our lives for it. It deserves the best treatment available.

Associated with us are: Mrs. Betty D. Canupp, Cashier-Bookkeeper, Mr. W. H. "Bill" Duhling of Hickory, Mr. Melvin P. Hawkins of Asheville and Miss Mary Forest McAdams of Charlotte all registered representatives. Miss McAdams represents the "new look" in the investment banking business— the invasion of the women into what was once the domain of males only.

Joe K. Matheson was born in Iredell County and attended Troutman High School, entered Trinity College of Durham in 1923, and was graduated from Duke University in 1928 with AB in Business Administration. He lives in Hickory and he and Mrs. Matheson have four children, three daughters and one son. He has four grandchildren—a pair of each kind.

My prized possessions of this world are my three beautiful daughters, my fine young son, my four grandchildren, and my "roving can" wastebasket. There is a story about that wastebasket. Up here in this textile area it has long been considered a mark of distinction to have a "roving can" as a wastebasket as these cans are cylindrical fibre yarn containers about 18 inches in diameter and standing a good four feet tall. In the old traditional "cotton mill" of yesteryear— only the "boss" or the head man was allowed to take this yarn container for his use in "the front office". Its use as a waste basket was an unmistakable symbol of one who had arrived. We haven't arrived but we have the "roving can"!

I hold memberships in the Catawba Country Club where I now serve as a director, The First Methodist Church, the Bogey Golfers Club and the Republican Party.

INVESTMENTS IN FUTURE

—Continued from page 12—

ever necessary without having to look for a buyer; the Mutual Fund Company will buy back the shares at the net asset value. The money is yours to use whenever you need it without having to pay a penalty or interest for the privilege of borrowing.

The basic ingredients to investing through mutual funds are **time** and **money**. If you are a young man with a small income but you have quite a few years before you will need money for education of your children or retirement, you have **time** on your side. It is possible to reach the same goal as an older man with more money but with less time. Remember, you can build your financial estate through Mutual Funds with TIME and MONEY.

One of the many unique and far reaching aspects of Fund Investments, Inc., was the establishment of Universal Services in April, 1959, as a separate company to work in consultation with Fund Investments, Inc. This company, under the direction of manager Arthur D. Weese, an expert in the field of profit sharing, has helped to establish profit sharing and retirement plans in many top businesses in North Carolina. Some of the firms which have installed profit sharing plans through consultations with Universal Services are the Western Auto Associate Store in Jacksonville, Rowan Printing Company in Salisbury, Powers and Anderson Dental Company in Charlotte and Dorsey's, Inc., in Charlotte, to name only a few. Through profit sharing plans these employers are creating future financial estates for faithful employees who work today to build large and strong companies.

In November, 1960, Fund Investments, Inc., opened its first branch office. This office is located in the New River Shopping Center in Jacksonville, N. C. Opened primarily to serve the Camp Lejeune area, this branch office is managed by Colonel P. J. Speckman, USMC (Ret.), who also is Director of Military Sales for Fund Investments, Inc.

The officers and Board of Directors of Fund Investments, Inc., are composed of a qualified group of business and military leaders. The President of the Company is Sister Perfection, an outstanding financier with a wide background in banking and investments. First Vice-President is Mr. S. Holmes Plexico, of Salisbury, who is President of the Home Savings and Loan Association and President of the Rowan Printing Company, Salisbury. Second Vice-President is Major General Randall M. Victory USMC (Ret.), of Jacksonville. Secretary-Treasurer is Marjorie G. Hugo, who before becoming associated with Fund Investments, Inc., was a dairy accounting consultant, a teacher, a mathematician, and a Major in the WACS.

—See Investment, page 21—

SAVINGS AND LOAN ASSOCIATIONS IN NORTH CAROLINA

Aberdeen Savings & Loan Assn., Aberdeen
Hertford County Savings & Loan Assn., Ahoskie
Albemarle Savings & Loan, Albemarle
Home Savings & Loan, Albemarle
Peoples Savings & Loan, Asheboro
Randolph Savings & Loan, Asheboro
Belmont Savings & Loan, Belmont
Benson Savings & Loan, Benson
Pitt Savings & Loan, Bethel
Biscoe Savings & Loan, Biscoe
Black Mountain Savings & Loan, Black Mountain
Bladen Citizens Savings & Loan, Bladenboro
Watagua Savings & Loan, Boone
Candor Savings & Loan, Candor
Canton Savings & Loan, Canton
Citizens Savings & Loan, Carthage
Orange County Savings & Loan, Chapel Hill
Mutual Savings & Loan, Charlotte
Peoples Savings & Loan, Charlotte
Cherryville Savings & Loan, Cherryville
Rowan County Savings & Loan, China Grove
Clinton Savings & Loan, Clinton
Clyde Savings & Loan, Clyde
Cabarrus County Bldg. & Loan Assn., Concord
Citizens Savings & Loan, Concord
Concord Perpetual Bldg. & Loan, Concord
Cornelius Savings & Loan, Cornelius
Home Savings & Loan, Dunn
Home Savings & Loan, Durham
Mutual Savings & Loan, Durham
Farmville Savings & Loan, Farmville
Cross Creek Savings & Loan, Fayetteville
Fayetteville Savings & Loan, Fayetteville
Macon County Savings & Loan, Franklin
Franklinton Savings & Loan, Franklinton
Gastonia Mutual Savings & Loan, Gastonia
Citizens Savings & Loan, Goldsboro
Goldsboro Savings & Loan, Goldsboro
Graham Savings & Loan, Graham
Granite Savings & Loan, Granite Falls
Gate City Savings & Loan, Greensboro
Home Savings & Loan, Greenville
Hamlet Savings & Loan, Hamlet
Henderson Savings & Loan, Henderson
Home Savings & Loan, Henderson
Hertford Savings & Loan, Hertford
First Savings & Loan, Hickory
Atlantic Savings & Loan, High Point
Perpetual Savings & Loan, High Point
Piedmont Savings & Loan, High Point
Hillsboro Savings & Loan, Hillsboro
Kenly Savings & Loan, Kenly
Home Savings & Loan, Kings Mountain
Kings Mountain Savings & Loan, Kings Mountain
Mutual Savings & Loan, Kinston
Home Savings & Loan, Landis
Scotland County Savings & Loan, Laurinburg
Home Savings & Loan, Leaksville
Citizens Savings & Loan, Lenoir
Mutual Savings & Loan, Lenoir
Industrial Savings & Loan, Lexington
Mutual Savings & Loan, Lexington
Perpetual Savings & Loan, Lexington
Liberty Savings & Loan, Liberty
Lincolnton Savings & Loan, Lincolnton
Robeson Savings & Loan, Lumberton
Madison Savings & Loan, Madison
McDowell Savings & Loan, Marion
First Savings & Loan, Mebane
Mocksville Savings & Loan, Mocksville
Marion Savings & Loan, Marion
Peoples Savings & Loan, Monroe
Citizens Savings & Loan, Mooresville
Burke County Savings & Loan, Morganton
Mount Airy Savings & Loan, Mount Airy
Peoples Savings & Loan, Mount Gilead
Mutual Bldg. & Savings, Mount Holly
Mount Olive Savings & Loan, Mount Olive
New Bern Savings & Loan, New Bern
Citizens Savings & Loan, Newton
North Wilkesboro Savings & Loan, North Wilkesboro
Oxford Savings & Loan, Oxford
Pinehurst Savings & Loan, Pinehurst
Plymouth Savings & Loan, Plymouth
Raeford Savings & Loan, Raeford
Raleigh Savings & Loan, Raleigh
Ramseur Savings & Loan, Ramseur
Randleman Savings & Loan, Randleman
Red Springs Savings & Loan, Red Springs
Mutual Savings & Loan, Reidsville
Roanoke Rapids Savings & Loan, Roanoke Rapids
Robbins Savings & Loan, Robbins
Peoples Savings & Loan, Robersonville
Richmond County Savings & Loan, Rockingham
Peoples Cooperative Savings & Loan, Rockwell
Citizens Savings & Loan, Rocky Mount
Homes Savings & Loan, Rocky Mount
Rowland Savings & Loan, Rowland
Roxboro Savings & Loan, Roxboro
Citizens Savings & Loan, Salisbury
Home Savings & Loan, Salisbury
Sanford Savings & Loan, Sanford
Home Savings & Loan, Scotland Neck
Cleveland Savings & Loan, Shelby
Shelby Savings & Loan, Shelby
Home Savings & Loan, Siler City
Smithfield Savings & Loan, Smithfield
Southern Pines Savings & Loan, Southern Pines
Southport Savings & Loan, Southport
Spindale Savings & Loan, Spindale
Mitchell County Savings & Loan, Spruce Pine
St. Pauls Savings & Loan, St. Pauls
Star Savings & Loan, Star
First Savings & Loan, Statesville
Home Savings & Loan, Statesville
Jackson County Savings & Loan, Sylva
Edgecombe Homestead & Loan, Tarboro
Tarboro Savings & Loan, Tarboro
Taylorsville Savings & Loan, Taylorsville
Home Savings & Loan, Thomasville
Peoples Savings & Loan, Thomasville
Montgomery Savings & Loan, Troy
Valdese Savings & Loan, Valdese
Anson Savings & Loan, Wadesboro
Wake Forest Savings & Loan, Wake Forest
Warrenton Savings & Loan, Warrenton
Beaufort County Savings & Loan, Washington
Home Savings & Loan, Washington
Haywood Savings & Loan, Waynesville
Weldon Savings & Loan, Weldon
Wendell Savings & Loan, Wendell
Ashe Savings & Loan, West Jefferson
Peoples Savings & Loan, Whiteville
Wilkes Savings & Loan, Wilkesboro
Martin County Savings & Loan, Williamston
Carolina Savings & Loan, Wilmington
Citizens Savings & Loan, Wilmington
Cooperative Savings & Loan, Wilmington
Peoples Savings & Loan, Wilmington
Atlantic Savings & Loan, Wilson
Wilson Home & Loan, Wilson
Standard Savings & Loan, Winston-Salem
Winston-Salem Savings & Loan, Winston-Salem

Federal Savings and Loan Associations in North Carolina:

Asheville, Asheville Federal Savings & Loan Association.
Brevard, Brevard Federal Savings & Loan Association.
Burlington, Community Federal Savings & Loan Association.
Burlington, First Federal Savings & Loan Association.
Charlotte, First Federal Savings & Loan Association.
Charlotte, Home Federal Savings & Loan Association.
Conover, First Federal Savings & Loan Association.
Durham, First Federal Savings & Loan Association.
Fayetteville, Home Federal Savings & Loan Association.
Forest City, First Federal Savings & Loan Association.
Gastonia, First Federal Savings & Loan Association.
Greensboro, Home Federal Savings & Loan Association.
Greenville, First Federal Savings & Loan Association.

—See Savings & Loan Asso., page 18—

90 YEARS OF SAVINGS AND LOAN IN NORTH CAROLINA

In 1870, approximately forty years after the first building society was formed in Pennsylvania, the North Carolina Legislature enacted a statute permitting the organization and operation of such associations in this state. The preamble to the originial act as taken from the Public Laws of North Carolina, Session of 1869-70, Chapter 129, reads as follows:

"An Act to be entitled An Act Authorizing the Incorporation of Homestead and Building Associations in this State. Whereas, divers persons, chiefly of the Industrial classes, are desirous of forming associations for the purpose of accumulating by small periodic deposits, a savings fund with which they may secure a homestead, and for their mutual benefit; and WHEREAS, it is the dictate of a sound policy that the protection and encouragement of the legislature should be given to associations having in view ends and objects so commendable in their character, therefore:

Section 1. The General Assembly of North Carolina do enact—That from and after the passage of this act it shall and may be lawful, and authority is hereby given to any individuals or persons in any city or county in this State, under any name by them to be assumed to associate for the purpose of organizing and establishing homestead and building associations—"

While the original act provided generally for the organization of such associations and set forth certain conditions for doing business, it did not make any State official responsible for their supervision. The only official referred to in the original act was the Clerk of Superior Court, with whom the association was required to file a copy of the articles of such corporation.

Inasmuch as the Clerk of Superior Court was the responsible official it is almost impossible to know when or where the first association was opened for business. However, we have documentary proof that the Mechanics Building and Loan Association of Greensboro was organized in 1872. There is also evidence that a number of other associations were chartered during the 1870's.

A number of associations were chartered from 1880 to 1900. We have several associations chartered during this period that are still in existence. In fact, there are fourteen associations still in operation that were chartered in the 19th Century. These associations are still being operated:

1881—June 12—Mutual Savings and Loan Association, Charlotte

1883—Mechanics Perpetual Building & Loan Association (now Home Federal)—Charlotte

1887—February 5—First Savings and Loan Association, Statesville

1887—September 21—Citizens Building & Loan Association, Wilmington

1887—September 22—New Bern Savings and Loan Association, New Bern

1888—January 10—Citizens Building & Loan Association (now Citizens Federal) Rutherfordton

1888—Concord—Kannapolis Savings and Loan Association, Concord

1889—September 6 — Edgecombe Homestead & Loan Association, Tarboro

W. C. YORK
Deputy Commissioner, Savings & Loan Division, N. C. Insurance Commission.

1889—October 24th—Wilson Home & Loan Association, Wilson

1889—November 20—Winston-Salem Savings & Loan Assn., Winston-Salem

1889—December 4—Anson Savings & Loan Association, Wadesboro

1890—August 3—First Savings and Loan Association, Hickory

1898—March 17—Cooperative Savings and Loan Association, Wilmington

1898—March 31st—Cabarrus County Building, Loan & Savings Association, Concord

The coming of the 20th Century brought on a greater demand for such associations and most associations still in existence were chartered prior to 1930.

In 1933 the President of the United States, Franklin D. Roosevelt, among other things, proposed legislation which brought into being many housing provisions, among which was authorization for creation of Federal Savings and Loan Associations. While the State chartered associations did serve and still are serving the great business purpose of promoting thrift and home ownership, they did so to the extent the Federal Government recognized the stimulating influence these institutions had on the economy. In addition to the chartering of Federal Associations, the new legislation contained provisions for setting up the Federal Home Loan Bank System and the Federal Savings and Loan Insurance Corporation.

Today we have what is known as the dual system of chartering. Proponents of new associations have the choice of applying to state authorities or to Federal authorities for permission to open for business. Both systems provide for membership in the Federal Home Loan Bank System and for the insurance of accounts by the Federal Savings and Loan Insurance Corporation. Such insurance was made available to all associations, both State and Federal, and most associations at the present time have such insurance.

With the great increase in population during the past two decades, it became apparent that Savings and Loans were needed institutions. Thus, the modern Savings and Loan Association began to take its rightful place in our economy.

It must be apparent to people everywhere that the management of these institutions is composed of typically high class citizens. But the most important thing is that they are local people who, for the most part, are encouraging other local people to let their money be used so that their neighbors might have a home of their own. Because of this local influence the associations are making approximately 40% of all home loans in this country today. Another reason for this high percentage is because Savings and Loan Associations are specialized home owner credit institutions.

Most associations, by the terms of their charter and by rules and regulations of the Supervisory Authorities, are limited to making loans on homes. Some loans, of course, are made on commercial property, but the primary statutorial purpose of Savings and Loan Associations is to help build or buy a home. There is no safer investment than a first mortgage on a family's home. Because of this safety and because home loans are made for a long term, a higher return can be paid to those who invest their funds with these institutions.

During the period from December 31, 1950, through December 31, 1960, the associations in North Carolina had a phenomenal growth. The assets of these institutions increased more than 400%. The increase was from $330,000,000.00 to $1,375,000,000.00. The associations have become full grown and mature institutions in the financial field. They are assuming their rightful responsibilities in almost every community in this state, both civic and economic wise. These associations pay into the General Fund of North Carolina each and every year more

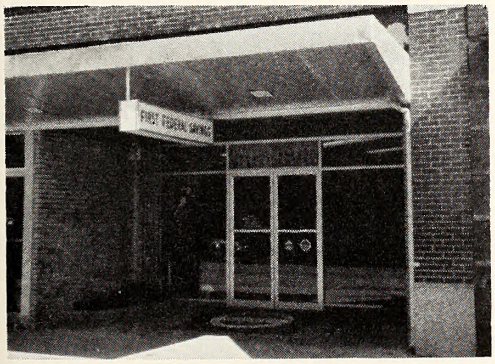
—See 90 Years, page 21—

CONSERVATIVE MANAGEMENT IS KEY TO GROWTH

Cameron Village

Organized in September of 1937, First Federal Savings and Loan Association of Raleigh completed the year showing total assets of $20,008.25. Twenty-three years later, it had grown to become the fourth largest association in the state, its 1960 financial statement listing over 35.8 million dollars in assets. During the last decade, the growth of the association has been so great as to warrent attention by the whole savings and loan business, and its story was carried in a recent copy of "Savings and Loan News," a trade magazine of the business.

First Federal feels that conservative management has been the major factor contributing to its growth during the past ten years. The lending and reserve policies as determined by its Board of Directors have created public confidence



Zebulon Branch

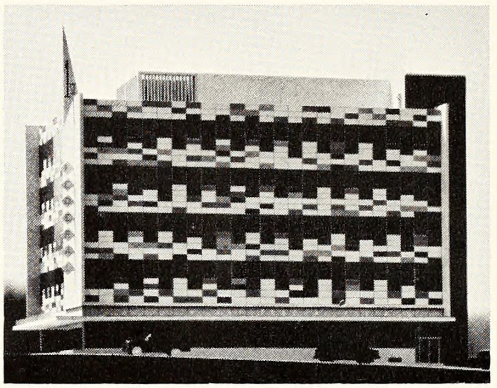
in the association, confidence which is reflected in an almost nine-fold increase in savings during the 1950's. The present Board of Directors is composed of men who are leaders in the community and well qualified to serve in an institution providing the specialized services of a savings and loan association. Among them are included a contractor, an attorney, the president of a steel fabricating company, and an officer of the Carolina Power and Light Company. These men, as are the other directors, are well aware of the economic and building trends of the area served by the association and are therefore able to determine policies which benefit both it and the community.

A second growth factor is the internal harmony, the planning, and the friendly attitude of the association. The association realizes that the customer is the most important person connected with it and strives to provide more than simply courteous service. Moreover, the association is continually developing and changing its own operations to provide the most efficient methods based upon technological advances. In addition, the association conducts its own training program, utilizing the many educational facilities of the U. S. Savings and Loan League, to ensure that its officers and staff keep abreast of the latest developments in the field.

New Bern Avenue Branch

A third factor which has attributed to the growth of the association is the service it offers. First Federal offers almost all of the services available under its charter. At present, it services over 13,000 savings accounts, all of which are insured up to $10,000.00 by the Federal Savings and Loan Insurance Corporation. These accounts are primarily composed of regular savings, or passbook accounts, in which the customer may place any amount of money at any time; and investment accounts, which allows the customer to purchase certificates in multiples of $100.00. Its current dividend rate of 4% ensures a better than average return to the saver. It also offers Christmas Club accounts to foster the idea of saving for a special occasion.

In the field of lending, the association now handles over 4,000 mortgage loan accounts. The proceeds of these loans, made only on improved real property, have been used for many purposes. While home ownership has always been the cornerstone of the savings and loan business, loans made by First Federal have also enabled individuals to make repairs to existing dwellings, to go into a business of their own, to consolidate debts,



Main Office

and to accomplish other worthwhile endeavors. In addition, the association offers FHA Title I Home Improvement loans. These loans, which are unsecured, offer additional opportunities for the homeowner to make additions or improvements to his home.

The association has indicated its position of leadership in many other ways. Its managing officer and Executive Vice President, Mr. R. D. Beam, is presently

—See Conservative Mgt., page 21—

BOARD OF DIRECTORS

Hendersonville's First Federal Savings Is Home Owned and Privately Managed

The First Federal Savings and Loan Association of Hendersonville is a locally owned and privately managed financial institution designed to promote thrift and home ownership among the people of the area served. Its principal functions are implied in its name: (1) to gather together the savings of the community (2) to use the savings to make long term loans for the construction, repair, purchase or financing of homes. Federal savings and loan associations are chartered by the federal government and automatically are members of the Federal Home Loan Bank system and the Federal Savings and Loan Insurance Corporation.

In the spring of 1934, the management and directors of the Hendersonville Building and Loan Association, a state chartered institution, decided to liquidate that association and at the same time start the operation of a Federal Association. The organizational meeting was held May 15, 1934 and the charter was granted July 27, 1934. The original officers of the association were T. L. Durham, President; Bruce Drysdale, Vice President; D. H. Lee, Secretary-Treasurer (Manager); and J. Foy Justice, Attorney. Mr. D. H. Lee is generally considered the founder of the Association and continued as its Manager until his death in 1948.

The current President, Bruce Drysdale, was elected to this office in 1940 to succeed T. L. Durham, deceased. At the same time the current Vice-President, Roy Johnson, was elected to succeed Mr. Drysdale.

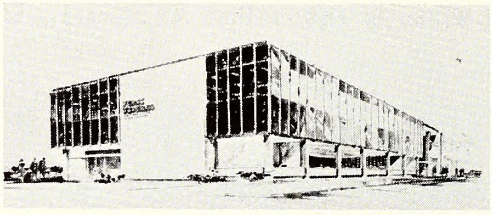
Mr. H. B. Kelly, Banker, Legislator (Florida) and Hotel Operator, suceeded Mr. Lee in 1948 when assets were slightly in excess of one million dollars. He served faithfully and well until June 1953 when he resigned to accept the position of Vice President and Manager of First Union National Bank and Trust Company of Asheville, Hendersonville Branch.

The present Manager, Frank L. Hoyle, Jr., succeeded Mr. Kelly in July 1953 when assets were approximately three and one-half million dollars. Mr. Hoyle had worked with savings and loan associations, The Reconstruction Finance Corporation and as a practicing attorney. He was also an Examiner with the Federal Home Loan Bank Board before coming to this Association.

Bob G. Sherman, originally employed with The First National Bank of South Carolina, Columbia, South Carolina, joined our staff as Secretary of the Association in January 1959.

Bernice E. Cameron joined our staff in 1954 and was named Assistant Secretary in 1958.

At the present time, the Association occupies quarters at 131 Fifth Avenue West. Since the Association has experienced a very rapid growth for the past few years, it has out grown the present quarters and construction is under way for a new office building at the corner of Church and Fifth. The Board of Directors authorized the Association to enter into a contract for the erection of this



new building in accordance with construction bids submitted in June 1960. Completion is expected around September 1, 1961.

The Board of Directors at the present time consists of the following members:

Bruce Drysdale—1934
Roy Johnson—1937
W. A. Bennett—1942
W. M. Gregg—1935
Noah Hollowell—1934
Frank L. Hoyle, Jr.—1953
E. F. Latt—1934
C. M. Ogle—1934
G. C. Richardson—1936
Arthur B. Shepherd—1949

The First Research Corporation, consulting economists of Miami, Florida, was employed to aid this Association in submitting a proposal for a new branch office to be located in U. S. Highway #25 at Fairview Road, Fletcher, North Carolina. The report prepared by First Research showing economic conditions in the Fletcher area and including parts of both Henderson and Buncombe Counties, was completed and the application submitted to the Federal Home Loan Bank on March 28, 1960. The Federal Home Loan Bank Board's resolution dated August 12, 1960 approved our application and authorized the new branch office.

Construction of modern building at Fletcher to be occupied by the Branch Office will be completed in time for occupancy on or about May 1st. The building of one story brick construction with basement is being erected by L. C. Youngblood and will be occupied under lease. The new Branch will soon be functioning with Paul W. Trantham as managing officer. At the present time First Federal's assets are in excess of 15 million dollars, and has a staff of twelve employees and officers.

The current dividend rate being paid by First Federal is 4% per annum compounded semi-annually. All accounts are fully insured up to $10,000 by the Federal Savings and Loan Insurance Corporation and not one cent has ever been lost in a federally insured association.

SAVINGS & LOAN ASSO.

—Continued from page 15—

Hendersonville, First Federal Savings & Loan Association.
Hickory, Fidelity Federal Savings & Loan Association.
Kinston, Home Federal Savings & Loan Association.
Lincolnton, First Federal Savings & Loan Association.
Mooresville, Mooresville Federal Savings & Loan Association.
Mount Airy, Workmen's Federal Savings & Loan Association.
New Bern, First Federal Savings & Loan Association.
Raleigh, First Federal Savings & Loan Association.
Reidsville, First Federal Savings & Loan Association.
Roanoke Rapids, First Federal Savings & Loan Association.
Roanoke Rapids, Rosemary Federal Savings & Loan Association.
Rocky Mount, Builders Federal Savings & Loan Association.
Rocky Mount, First Federal Savings & Loan Association.
Rutherfordton, Citizens Federal Savings & Loan Association.
Sanford, First Federal Savings & Loan Association.
Shelby, First Federal Savings & Loan Association.
Tryon, Tryon Federal Savings & Loan Association.
Winston-Salem, First Federal Savings & Loan Association.
Winston-Salem, Piedmont Federal Savings & Loan Association.
Asheville, Carolina Federal Savings & Loan Association.
Dunn, First Federal Savings & Loan Association.
Greensboro, American Federal Savings & Loan Association.

CAROLINA SECURITIES

—Continued from page 13—

fices are maintained in the Johnston Building, Charlotte, and 40 Wall Street, New York, New York. Inter-connecting wire services between the three offices facilitate company transactions. The Company has approximately twenty resident representatives who serve practically all communities in North Carolina and several in South Carolina.

Carolina Securities is a member of the Midwest Stock Exchange, Chicago, the largest exchange outside New York City, and ranks third in size in the United States.

$150 THOUSAND TO $8 MILLION IN 10 YEARS OF GROWTH

First Federal Savings and Loan Association of Sanford, North Carolina was organized April 30, 1950 with assets of less than $150,000.00; the association today boasts of assets totaling nearly $8,000,000.00, a phenomenal growth of business.

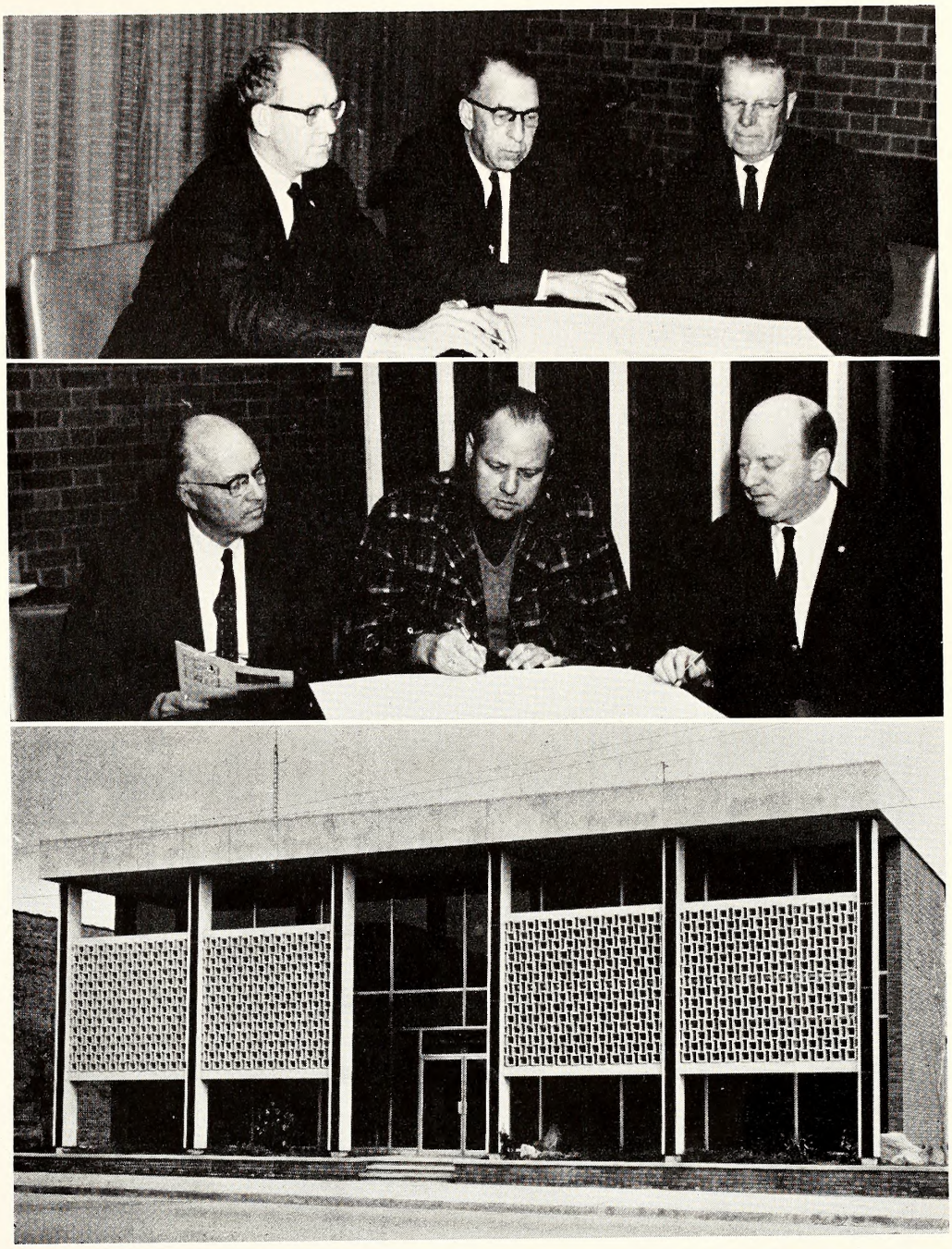
During the year 1960 the directors, in order to provide the best and most modern thrift and home financing services in the area, undertook and completed a new program to expand its office facilities. The new First Federal home office building was completed at the corner of Steele and Wicker Streets, Sanford, North Carolina, and a modern branch office was opened in Pittsboro, North Carolina. This program was undertaken not only to make it easier, more convenient and more pleasant for First Federal customers to transact their business, but also to attract new customers and serve more efficiently the greater numbers of people now patronizing the institution.

First Federal savers have equally shared in record earnings paid for the use of their funds. A total of well over $1,000,000.00 in dividends has been distributed since the organization of First Federal Savings and Loan Association only ten short years ago in April of 1950. At First Federal all of the earnings on mortgages and other investments are paid out to savers in the form of dividends, after operating expenses and additions to reserves.

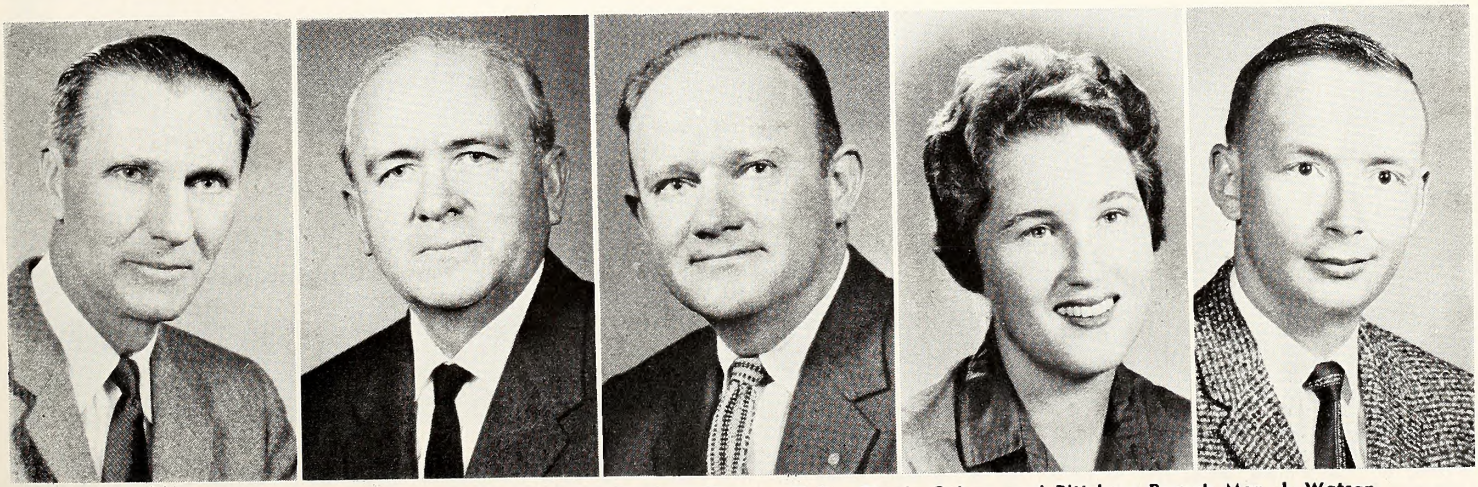
The current dividend rate at First Federal is 4% per annum payable on June 30th and December 31st, and each account is insured up to $10,000.00 by the Federal Savings and Loan Insurance Corporation.

First Federal is also especially proud of the savings and lending activity which the institution has been able to render since organization as well over $13,000,000.00 have been placed with the association and this amount in turn has been loaned to borrowers mainly to construct or purchase homes.

—See 10 Years Growth, page 20—



Top, Directars W. H. Ray, L. P. Wilkins, and L. P. Cox study house plans before deciding upan a laan. Center, Directars T. J. Davenport, W. R. Makespeace, Jr., and W. M. Womble consider a loan application. Bottam shaws the new hame af Sanford's First Federal Savings and Laan Assaciatian.



Directars L. D. Isenhaur, J. Victar King, and J. R. Ingram; Nardan. Pittsbara Teller Glenda Gaines, and Pittsbara Branch Mgr. J. Watsan

WORKMEN'S FEDERAL HAS GROWN A MILLION A YEAR FOR SEVEN YEARS

The charter of the Workmen's Federal Savings and Loan Association was issued originally as a state chartered Association, under the name of Workmen's Building and Loan Association, in April of 1910. It has served the people of Mount Airy and surrounding areas continuously since that time. Our area of operation covers five counties in the state of Virginia and seven counties in the state of North Carolina.

Our assets at the present time are in excess of $17,000,000 and we are the largest financial institution between Winston-Salem and Asheville, North Carolina. Our operation has shown a growth of over $1,000,000 a year for the last seven years.

At the present time our Association is serving over 8500 savings customers and we have over 4600 loan customers. All of the above are scattered over the above areas as well as a large number of savings customers from many states in the union.

Our Association is a member of the Federal Home Loan Bank Board system and its accounts are insured up to $10,000 by the Federal Savings and Loan Insurance Corporation.

During the past year, which was the best year in its history even though going through the so-called recession, our Association increased its assets by $1,234,000 or 7.7% and also paid out in dividends the largest amount ever paid in this county. It was a total of $568,000, or roughly 25½% above the 1959 figure.

Since the beginning of 1961 our Association has continued to make progress and we look forward to even a better year in 1961.

TEN YEARS GROWTH

—Continued from page 19—

The real satisfaction of the Officers, Directors, and Staff of First Federal lies in the fact that the association enjoys the loyal support of so many thousands of savers and homeowners. First Federal shall not be satisfied with past accomplishments, but will continue looking for new opportunities to give better service for future growth and expansion. It is a challenge which has been accepted to provide the best in thrift and home financing services, as these services are the sole reason for our existence.

Serving as First Federal directors are J. T. Davenport, W. R. Makepeace, Jr., L. P. Cox, W. H. Ray, J. R. Ingram, J. Victor King, L. P. Wilkins, Lewis D. Isenhour, and W. M. Womble, with W. M. Womble serving as Executive Vice President.

Top, left, A. B. Carter, president of Workman's Federal Savings and Loan Association; right, J. B. Graves, secretary-treasurer; lower left, (Sitting at Information Desk, left to right) Joe B. Graves, Betsy M. Love and E. G. Webb, (Sitting at back desk) A. B. Carter and Frances C. Smith, (At next desk) Lillie Mae Scism, (Standing at counter, left to right) Billie Nell Hiatt, Martha E. Platt, Anne S. Gordon, Virginia P. Leach, and June A. Shinault. Right, A. G. Webb, assistant secretary.

Cabarrus County Building, Loan and Savings Association, Started In 1898

Cabarrus County Building, Loan and Savings Association was established in Concord, North Carolina in April 1898, and is one of the County's oldest financial institutions.

Thrift and Home Financing, leading to Home Ownership, are the two major objectives that this Association and its Shareholders have striven for during the more than sixty-two years of its existance.

Today, Cabarrus County Building, Loan and Savings Association occupies modern and spacious quarters at 119 South Union Street, immediately opposite the Concord, Post Office. Services include mortgage loans and savings plans which are tailored to meet the needs of its thousands of shareholders. Convenient Drive-up-Window, adequate customer parking facilities and 24 hour envelope depository are but a few of the many features of this Associations new main office.

In addition all savings are insured by the Federal Savings and Loan Insurance Corporation, and the Association is a member of the Federal Home Loan Bank System. This Association is also a member of the United States Savings and Loan League, the North Carolina Savings & Loan League, and the Savings and Loan Foundation.

With assets of more than $6,200,000.00 and over 5,000 Shareholders, the Cabarrus County Building, Loan and Savings Association will continue to grow with the community, always striving to render better and greater service to its Shareholders.

90 YEARS SAVINGS & LOAN IN N. C.

—Continued from page 16—

than $1,000,000.00 in the form of stock and excise taxes.

The supervision of the 149 State-chartered associations is under the popular Commissioner of Insurance, Charles F. Gold. The Commissioner of Insurance appoints a Deputy who devotes his full time to the Savings and Loan Associations and is the direct Supervisor of all these institutions. The Supervisor at the present time is W. C. York. The Supervisor has 10 field examiners that work full time examining and auditing these associations to see that they are being operated according to law and in a safe and sane manner. The examiners are ever alert to see that rules and regulations are being complied with and that the policies and procedures of the institution are in keeping with good business principles. The integrity and the solvency of these institutions are under the scrutiny of the examiners who are experts in their field. The Federal Savings and Loan Associations are subject to the same kind of checking except they are checked by the examiners of the Federal Home Loan Bank Board.

INVESTMENTS IN FUTURE

—Continued from page 14—

Assistant Secretary is Mr. Arthur D. Weese, who also is Manager of Universal Services. Assistant Treasurer is Mr. G. Donald Ebert, who also acts as Controller for Fund Investments, Inc.

The Board of Directors of Fund Investments, Inc., contains men and women outstanding in business, military, and finance. Included on the Board are Sister Perfection, of Charlotte (President); Mr. S. Holmes Plexico, of Salisbury (First Vice-President); Major General Randall M. Victory, USMC (Ret.), of Jacksonville (Second Vice-President); Marjorie G. Hugo, of Charlotte (Secretary-Treasurer); RAdm. A. I. Malstrom, USN (Ret.), of Washington, D. C.; Lt. General J. P. Riseley, USMC (Ret.), of Roswell, New Mexico, who was commanding General of Camp Lejeune at the time of his retirement in June, 1959; Mr. F. Roger Page, Jr., of Winston-Salem, President of the Page Oil Company, the Page Real Estate Developers, and the Page Salvage Company; and Mr. T. Stuart Coffey, Jr., of Statesville, owner of Stuart Coffey and Company (yarn sales) and Regional Sales Manager of Fund Investments, Inc.

Although Fund Investments, Inc., is a relatively young company, it is progressing with seven league boots. It has the perfect service—how to help people's money grow. It has the magic money tree. It has faith in America and its great industrial system. It has faith in the future.

CONSERVATIVE MANAGEMENT

—Continued from page 17—

President of the North Carolina Savings and Loan League. B. A. Jones, Assistant Manager and Vice President, serves as Treasurer of the Raleigh Chamber of Commerce. These two men and other personnel have served in many other capacities of leadership in both the savings and loan business and the community. Among the other key officers of the association are David Boyles, Controller, who handles both savings and bookkeeping departments, and Earl T. Wilborn, Ass't Vice President and Manager of the Loan Department. In their positions, these two men are responsible for the overall operation of the two major departments of the association.

The association presently maintains three branch offices in addition to its main office on Salisbury Street in Raleigh. These branches are located on New Bern Avenue near the Motor Vehicles Building, in Cameron Village, and in Zebulon, a small town 20 miles east of Raleigh. Each branch is well equipped and able to provide all the services offered by the main office, except the approval of loans.

During 1961, the association plans to move into a spacious new building presently under construction one block from

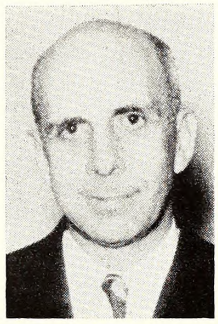
—See Conservative Mgt., page 29—

THE FIRST SAVINGS AND LOAN IS HICKORY'S OLDEST

By Edgar L. Fox
Executive Vice President

The First Savings & Loan Association of Hickory is the oldest financial institution in Hickory and ranks among some of the oldest savings and loan associations of the state.

Chartered as a state association in April 1890, it has served in the upbuilding of Hickory and its suburbs for over seventy-one years.



FOX

It was organized by a group of forward-looking business and professional men who felt the need of an organization that would help people to become home owners and at the same time would also provide a place for the savings of those who had funds to invest in the best security to be found—a first mortgage on a home. The first directors of the association were a group dedicated to helping their neighbors and friends obtain their own home, thereby building a better community, and would have considered it an insult to be asked to accept any remuneration of any kind for their services. The association, since its organization, has had only five Presidents, which bears out the fact that they were willing to serve long and well for a cause in which they believed.

The First Savings & Loan Association, although it has been operated conservatively from the very beginning, has had a remarkable growth. Its assets today are $13,000,000.00, whereas only ten years ago, the assets were only $3,000,000.00. It has more than 4200 savings accounts totaling $11,500,000.00, and first mortgage loans of $11,300,000.00. Each savings account is insured up to $10,000.00 by the Federal Savings & Loan Insurance Corporation of Washington, D. C., a governmental agency similar to the Federal Deposit Insurance Corporation which insures savings in commercial banks. The association is also a member of the Federal Home Loan Bank of Greensboro, and as a member of this bank enjoys a large line of credit, if and when needed, to be used in making mortgage loans and in paying withdrawal of savings. It also has a strong liquidity position, as a substantial amount of cash and Government bonds are carried in its portfolio. Each year a substantial amount is set aside as reserves to take care of any losses that might be sustained by reason of severe adverse economic conditions. Reserves at the present time amount to over $1,000,000.00, adding to the strength of the association.

Individual, partnership, corporation, joint, and trust savings accounts are offered to those desiring a safe and convenient place to invest their savings at the highest rate of return consistent with sound operating practices. It has been observed that those investing their money want safety first, availability next, and then a high rate of return.

First mortgage loans are made principally on one-family homes, however the association makes loans on apartments, commercial property, and churches, when funds are available. All loans are made on an amortized basis up to a period of twenty years, and the majority are the conventional type loan, although quite a number of VA and FHA loans have been made.

Several years ago the association's office building was completely remodeled and refurnished, and today has office quarters that are attractive and ample for the association's needs. A lot has recently been purchased, looking forward to the erection of a branch office building at a future date.

There are at the present time over 6000 savings and loan associations in the United States with total assets of approximately 70 billion dollars. Service is the paramount aim of these associations and the First Savings & Loan Association of Hickory looks forward to serving the people of Hickory and its suburbs as it has for over three score and ten years and also hopes to maintain for Hickory its designation as "The Best Balanced City."

Interior of First Savings and Loan of Hickory.

BACHE & CO.

—Continued from page 11—

for over 82 years. Serving 82 cities in the United States directly, it also has ten foreign branches, as follows: Hong Kong, Montevideo, Montreal, Toronto, London, Paris, Geneva, Frankfurt, Rome, Milan, with representatives in Mexico City, South America and Japan. The firm holds memberships on all securities and commodities exchanges, including four memberships on the New York Stock Exchange.

Bache & Co. was a pioneer in helping in the financing that is making Canada a potential colossus among nations, and was one of the first American houses to acquire a membership on the Stock Exchange at Toronto where it maintains branch.

Present-day operations are, perhaps more complete than those offered by another brokerage, covering all securities trading, whether it is in the great corporations in exchange trading, or regional companies on smaller exchanges or Over-the-Counter or unlisted dealings. The firm is equally prominent in all types of commodity transactions, and includes a Metals Department that was Bache innovation and is still largely exclusive with the firm.

The Syndicate Department, which pa

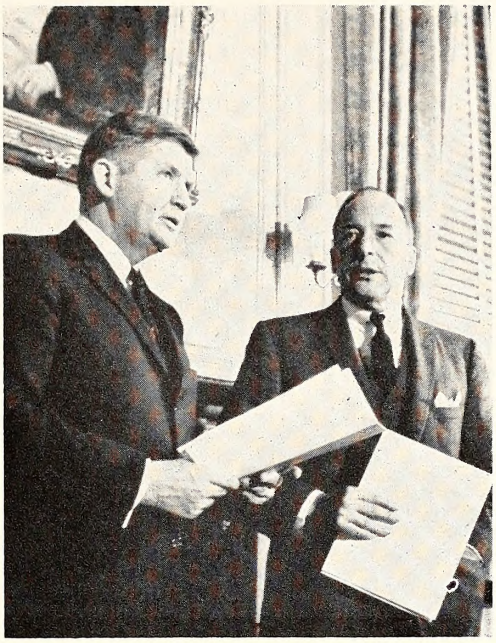
—Continued on page 38—

Private Citizens Take Over the Obligation of Bringing Safety to N. C. Highways

"We are killing people at the rate of three a day on our North Carolina highways. Something must be done about it." These terse words were said by Governor Terry Sanford to the newly organized North Carolina Traffic Safety Council, March 22, 1961.

The Governor indicated the positive attitude of the entire group when he said "*We* are killing." There was no doubt about that he meant. Every citizen has an obligation in the "keeping of his fellow-man" *alive* on the highways. In twenty-two words he summed up the problem and provided a major factor in its solution.

The problem is death on the highway. The solution is many-headed. Responsibility for highway safety belongs to every citizen of the State. Only the people can make our highways safer. There are contributing factors along the route which affect highway users. These are mostly legislative acts, or rules of the road suggested and recommended by the Motor Vehicles Department and other agencies and officials. Enforcement of these may prevent future fractures of safety, but the original infringement cannot be erased, and that "infringement" is often *death*. The Governor has struck the needed blow by making all citizens responsible, and by stating that action must be taken *before* the accident happens. This is the first time that any Governor of North Carolina has gone beyond the "expected" assistance to the highway safety effort.



Governor Terry Sanford and Alex Galloway discuss the plans of the Safety Council at the first meeting of the group.

A careful reading of the adopted by-laws of the North Carolina Traffic Safety Council, Inc., reveals that they compose a positive document and that the organization intends to attack the problem and solve it.

Here are some of the statements lifted bodily from the by-laws.

"This Safety Council believes that accident prevention is positive . . . It is interested in the welfare of others. It is a contribution of good government and respect to law and order, to efficient production, transportation and service, and to the well-being of every individual. Safety must be an integral part of every aspect of community life.

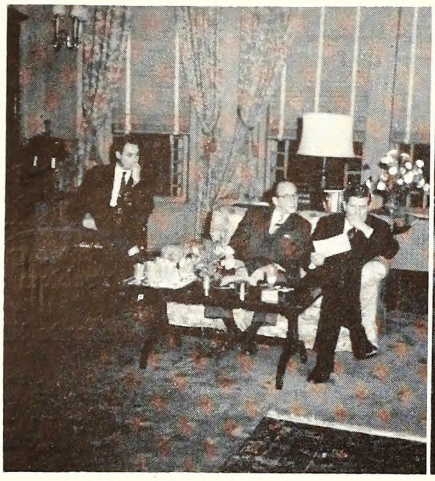
"This Safety Council will represent the entire State in its attack on accident problems, serving no special interests, and working cooperatively with all governmental agencies and private groups.

"Membership in the Council shall be open to all individuals, companies or organizations interested in the promotion of safety. . ."

This is one of the key statements contained in the by-laws. It specifically states that *all* will be represented, and by the same token, every segment of our

Top, left, Governor Terry Sanford, at head of Table, presides over the luncheon first meeting of the Safety Council. Two men on left are Rudy Faircloth of Associated Press and Roy Parker of the News and Observer. Right frame shows a pensive Governor Terry Sanford as Motor Vehicles Ed Scheidt explains a point. In background is one of the men who completed the study for the Governor, Dr. Wallace Hyde. On the sofa, back to front, are General George Stewart of the National Safety Council, Frank Smith, and J. C. Cowan.

Lower, left, shows Secretary Robert Holding, far left, Governor Sanford explaining a map held steady by Dr. Hyde, with General Stewart and J. F. Fraley and others looking on. Inset shows Ted Cramer, co-study chairman making a fine point. Governor Terry Sanford enforces a fact with his hand. Looking on are Messrs. Hyde, Stewart, Smith, Fraley, and Bill Johnson, PR, and Hugh Cannon leans out from behind table lamp, center background.



Studying the proposed by-laws of the Safety Council during the formal orgonizotional meeting in the Library of the Governor's Monsion are: Dr. Wollace Hyde, Alex Gallowoy, president of R. J. Reynolds Tobacco Co., Winston-Salem, ond Governor Terry Sonford. Center frame, left to right, Notionol Safety Council Representatives Jimmy Civils ond George Harris, olso on sofo J. C. Cowon, vice chairmon of Burlington Industries, ond John F. Fraley, president of Corolino Freight Corriers. Back row shows, Robert Elliott of R. J. Reynolds; Mojor Chorles Speed of State Highwoy Potrol; Williom McGuire, president Duke Power Co., Chorlotte; Herbert Dowd, monoger Esso Stondord Oil of Corolinos, Chorlotte; Dr. John Morris, Morehood City.
Right pictures J. M. Wosson, vice president Southern Bell Telephone ond Telegroph Compony, Chorlotte; Dr. John Morris; O. F. Stafford, president Pilot Life Insuronce Compony, Greensboro; Motor Vehicles Commissioner Edward Scheidt; and Ted Cramer, PR for Bennett Advertising, High Point.

economy and population is considered by the Council. It invites suggestions and support from all areas. While some of the larger firms have spearheaded the drive for funds, the smallest business in the State is a vital part of this effort and is invited to contribute positive suggestions and any amount of financial aid to the treasury.

"This Safety Council will have one goal—to get those things done which will prevent accidents, prevent death and injury, and minimize economic losses."

A most refreshing note is brought out by the statement: "However, this organization will not assume or usurp any legal responsibility of a government agency, nor will it overlap or duplicate the safety efforts of other groups . . . will encourage all agencies and groups to employ their resources for accident prevention within their natural areas of interest and influence, and will assist groups to develop practical, effective projects and activities."

The Council specifies "encouragement and public recognition" for constructive work, offers assistance and outlaws criticism of public officials or agencies per se. The Council is organized along lines which are approved by all major national safety groups, and which will make it eligible for accreditation and grants from various foundations concerned with safety.

Under "Objectives" we find an indication of the long-range planning of the group and see that the apathy of the public to highway deaths will be positively assailed. In cooperation with public officials and others, the Council will:

"1. Build and maintain in the minds of the people of North Carolina an understanding of accident and associated problems and an awareness of personal responsibilities for the safety of others to reduce untimely deaths, crippling injuries, and economic losses caused by accidents;

"2. Work closely and cooperatively with governmental and other responsible groups to stimulate and assist in building sound programs for accident prevention and traffic control;

"3. Focus statewide attention on the principal needs and generate public opinion in support of necessary action to meet these needs;

"4. Provide the means for voluntary coordination, planning, and execution for the many groups which share responsibility for specific phases of safety programs;

"5. Provide continuity of effective accident prevention operations;

"6. Give leadership, guidance, and assistance to organized local safety councils in the state and organize community groups where none exist;

"7. Further recognize, because of the increasing mobility of people, that the people of this state benefit by effective programs conducted in other states and communities, and therefore,

"(a) Cooperate with and assist such efforts through free exchange of information through the National Safety Council,

"(b) Seek with others, the adoption of uniform definition, reporting and recording of accidents; uniform laws, engineering standards, and enforcement procedures relating to traffic and common public objectives throughout the state."

The public is quite concerned with the goals of any organization, new or old. The Council has realized this and has produced an excellent set of ambitious aims. Under "Program Goals" the by-laws state:

"This Safety Council recognizes that all effective accident prevention programs are based upon competent analysis of the problems with which they deal. Therefore, this Council, in conjunction with the appropriate official agencies, will endeavor to get the facts of accident occurrences—where, when, why, how, and to whom accidents are occurring. Data should cover non-fatal as well as fatal accidents, and records must be maintained on a continuous, up-to-date, and uniform basis in order that trends may be observed and so that the effectiveness of accident control measures may be evaluated in terms of accident reduction.

"This Safety Council will search for new solutions, but will seek primarily the application of measures which have been demonstrated to be effective and essential to accident control. These measures, in the various fields of accident occurrence—are set forth in manuals and various other publications, including

Jimmy Civils, Ted Cromer, ond Bob Elliott give considerotion to a point in the by-lows.

Chorles Wode, Lauie Woodbury, Alex Golloway, and J. M. Wasson in dead eornest about the work of the Council.

published recommendations of national conferences. A central function of this Safety Council will be to provide continuous inventory and appraisal, not only of problems and needs, but also of what is being done about them, by official agencies and responsible unofficial groups, and to assist them to perform with optimum effectiveness. Analysis of accident causes will not only reveal measures needed for their prevention, but will also in many instances suggest local agencies best able to meet particular needs.

"This Safety Council will seek to arrive at a clear understanding of major and minor state and community needs and of the state's resources for meeting these needs. Priorities will be established and major attention given to serious deficiencies. In most phases of the accident problem, a relatively few accident sources and causes account for large numbers of accidents—these the Safety Council will seek to identify and alter. Substantial progress can be made only insofar as major causes are eliminated.

"A written list of program goals for each field covered by this Safety Council will be developed and maintained on a continuous basis. (The Council recognizes that certain projects may require careful planning and timing with official and other groups. The Council will avoid premature publicity.)

"This Safety Council will provide for, and/or encourage the use of various national and state organizations and agencies qualified to assist in defining needs, recommending solutions, and the implementation thereof."

The continual critical eye of self-evaluation is set forth in the by-laws. Full realization that the paid staff of the organization must be trained, and continually made aware of new trends, methods, and ideas is brought out in the final paragraph of the by-laws:

"This Safety Council will avail itself of training opportunities for its own staff, and will encourage training for staffs of official agencies."

Officers of the Council were elected at the March 22, Governor's Mansion Meeting. They are:

Honorary Chairman, Governor Terry Sanford.

President, Alex Galloway, President of R. J. Reynolds Tobacco Co., Winston-Salem;

First Vice President, J. M. Wasson, Vice President of Southern Bell Telephone and Telegraph Company, Charlotte;

Secretary, Robert P. Holding Jr., Chairman of the Board of First Citizens Bank & Trust Company, Smithfield; and

Treasurer, John F. Watlington, President Wachovia Bank & Trust Company, Winston-Salem.

Other directors are:

William McGuire, President of Duke Power Company, Charlotte;

J. C. Cowan, Vice Chairman of the Board, Burlington Industries, Greensboro;

O. F. Stafford, President of Pilot Life Insurance Company, Greensboro;

John F. Fraley, President Carolina Freight Carriers, Cherryville;

Louie E. Woodbury, President of Woodbury Insurance Agency, Wilmington;

Willis Kirkpatrick, Manager of the Carolina Division of Champion Paper and Fibre Company; and

Herbert E. Dowd, Manager Carolina Division of Esso Standard Oil Company, Charlotte.

Selection of the Director and other paid officers of the organization has been assigned to the Council's personnel committee composed of Chairman John L. Fraley, Robert S. Holding, Louie E. Woodbury, and J. C. Cowan.

The Corporation will have a Director whose salary will be approximately $15,000 annually; an Assistant Director at $12,000; two Field Men at $7,500 each; an Office Secretary who will also act as office manager in the absence of the Director and his Assistant; and a Stenographer-Clerk. The latter two will be

—See Private Citizens, page 29—

Just priar ta the March 22nd meeting Gavernor Terry Sanford, right, (Tap, first frame) shokes honds with J. C. Cawan, as Jahn F. Fraley laaks on. Center, L to R, Charles Wade, RJR, Winstan-Salem; Lauie Woodbury, Woadbury Insurance Agency, Wilmingtan; Alex Gallaway, RJR; and J. M. Wassan, discuss Cauncil plans. Right, Alex Gallaway, Gavernor Terry Sanford, and Jahn F. Watlington, president of Wachovia Bank and Trust Campany, Winstan-Salem, study their capies of the by-laws as they are read alaud ta the graup priar ta approval.

Charles Wade and Louie Waadbury cansider a paint. Center, Williom McGuire, Herbert Dawd, and John Watlingtan discuss the by-laws, in backgraund are Jimmy Civils and Ted Cramer. Officers af the arganizatian elected March 22 are shawn right; J. M. Wassan, First Vice President; Gavernor Terry Sanford, Hanarary Chairman; Alex Gallaway, President; John Watlington, Treasurer; and inset shaws Secretary Robert S. Halding, president of First-Citizens Bank and Trust Company, Smithfield.

SUPERVISING ALL OF NORTH CAROLINA'S CREDIT UNIONS IS "BIG" BUSINESS

By W. V. Didawick
State Superintendent of Credit Unions

In terms of membership and total assets individual credit units vary widely as to size; but on an average they are very small units in the world of financial institutions. In the aggregate, however, they add up to a sizeable operation. There are nearly 20,000 credit unions in the United States, with more than 11 million members and total assets of nearly five billion dollars.

But even these rather impressive figures do not convey the importance of credit unions or the special need they fill. A very simple definition of a credit union is: "A group of people who agree to save their money together and to make loans to each other at low interest." In modern parlance, it might be described as a "do-it-yourself" savings and loan company. Either of these definitions is, to some degree, an over-simplification; but either serves equally well to point up the unique place of credit unions in filling the need of certain persons for a financial institution in which they, themselves, within the framework of legal requirements, "make the rules".

For this reason, the importance of any individual credit union is not measured by the size of its membership or total assets, but by the service it renders in the realm of personal finances which would not be readily available to its members in any other way.

Agriculture Commissioner L. Y. Ballentine and W. V. Didawick, State Superintendent of Credit Unions.

Credit unions were introduced in this country by Edward A. Filene, a Boston merchant and philanthropist who contributed much time and money in fostering this movement in America. In North Carolina, John Sprunt Hill, of Durham, was an active leader in the movement. As a result of his leadership and the tireless efforts of many others, North Carolina became the third state in the nation to give legal sanction to these cooperative savings and loan associations by an act of the General Assembly in 1915.

At that time the most crying need for such self-help credit associations was among the farmers of the state. Many were under a perpetual bondage to the so-called "time merchants" who supplied farmers their household and operating necessities on credit at high prices and high interest rates. All too frequently the farmer could not discharge his indebtedness with the entire proceeds from his year's crops and was forced to continue dealing with the same creditor on the same, or harsher, terms while his total debt mounted year by year.

Because farmers then constituted the predominant group interested in these associations, supervision of credit unions was made a responsibility of the State Department of Agriculture. And the first credit unions organized in the state were entirely among farm people. A biennial report of the department shows that as of July 1, 1920, there were 33 credit unions operating in the state, all farmer groups.

In those early years many of the credit unions functioned primarily as cooperative purchasing associations.

"They do good work in getting their members out from under the influence of the time merchant," the report stated. "These credit unions accept the members' notes for the amount of their order through the credit union purchasing agent, deposit the notes with the bank as collateral, and borrow enough to make the cash wholesale purchase. The liberal terms of the banker make this possible."

By way of example this report gave a tabular presentation of savings made for members of one credit union through cooperative purchases. Savings listed included five dollars on one ton of feed, $15.55 a ton on eight tons of fertilizer and $7.50 a ton on 47 tons of fertilizer. Savings on household necessities include $1.25 per barrel on 16 barrels of flour, $2 per barrel on 25 barrels of flour, 2½ cents a pound on one barrel of sugar and 5½ cents a pound on 200 pounds of sugar.

"By starting this way with cooperative purchasing, these farmers are learning the lesson of cooperation and preparing themselves for cooperative efforts in the various phases of their business," the report stated.

Other credit unions took less the form of a cooperative purchasing society and more that of the real cooperative bank, the report continued.

"They encourage deposits—some are able to create enough capital to meet their needs— and make cash loans to their members. In some communities the credit union is proving of inestimable value, not only by meeting the credit needs of the farmer, but by creating a community interest and thereby aiding the farmers in getting together for cooperative enterprises."

Summarizing these very early years of credit union work in the state, this Biennial Report concludes:

"There are two factors which somewhat limit the growth of credit union work in this state. They are: (1) The lack of trained and efficient leader and, (2) the lack of business methods and education as to the advantage of credit among the farmers in general.

"Wherever a credit union has made a signal success, it has been guided by an enthusiastic community leader, and wherever a credit union is organized and does not make good progress, an investigation reveals the fact that there is no leader with the ability to push the undertaking and make it a success. The credit union undertakes to capitalize character, therefore the membership must be stable and the members know and have confidence in each other before they can work together. Real, stable credit union growth, then, must come with this permanent, home-owning population, its education in sound business methods, and the development of community leaders with energy and ability to direct cooperative enterprises."

E. Marie Parrish and Howard J. Pijan, chief fiscal examiner.

In the 40 years since that Biennial Report was written the character of credit unions in North Carolina has changed considerably. Since the early thirties federal programs have opened up various forms of credit to farmers. Banks, too, have set up special departments for agricultural credit. For these reasons, the cooperative savings and loan associations have become of less importance to farmers, and, with the industrial growth of the state, credit unions have experienced greater growth and service in industrial plants. Because of the growing interest in consumer credit and allied problems many employers are now assisting their employees in securing a credit union to finance purchase of consumer goods at more reasonable interest rates.

Although motivated by concern for the need of farmers for credit at reasonable rates, the law did not at any time limit this kind of group to farmers. Since the very beginning it has provided that any group of people having a common bond of association, occupation or residence can organize a credit union. Organizational steps set forth in the law are simple. It provides that seven or more persons employed or residing in the state may become a credit union by making, signing and acknowledging a certificate which contains the name of the proposed credit union, a statement that incorporation is desired under the credit union law, the conditions which shall qualify persons for membership, the par value of the shares, the city or town in which its principal business office is to be located, the number of its directors (not less than five and all of whom must be shareholders in the corporation), the names and post office addresses of the directors for the first year, and the names and addresses of the subscribers to the certificate with a statement of the number of shares each agrees to take in the corporation.

At the time the certificate is filed with the head of the credit union division of the North Carolina Department of Agriculture in Raleigh, the incorporators must also adopt by-laws which include

Lee R. Hood ond A. S. Bynum, fiscol exominers.

a number of provisions required by the law. In actual practice the head of the credit union division, referred to in the law as "superintendent of credit unions," is usually contacted before any of these steps are taken. Among the duties of the superintendent stipulated in the law are those of carrying on an educational campaign looking to the promotion and organization of credit unions, and giving assistance to groups considering the formation of one.

The superintendent, or some member of his staff, is always ready to confer and assist any group in the preliminary considerations for forming a credit union. In the main, these consist of advice and encouragement in the formation of a sound cooperative savings and loan association. In a few cases, however, the superintendent or his staff best carry out their responsibility to promote the credit union movement by discouraging or advising delay in the incorporation of one that does not give promise of being able to continue as a sound and stable financial institution. Neither the credit union program nor individual members are really served if a credit union is formed without the right kind of leadership or true seriousness of purpose. The kind of leadership described in the 1920 report is as essential to the success of a credit union today as it was then.

Since 1920, when the 33 credit unions in the state had some 1,400 members with total assets of $102,000, the state-chartered credit unions have grown to 238 in number with 100,000 members and assets totaling over $36 million. Increase in just the past five years has been nearly 40,000 in membership and $21 million in assets. Naturally the credit union division's responsibilities have increased commensurately with this growth of credit unions.

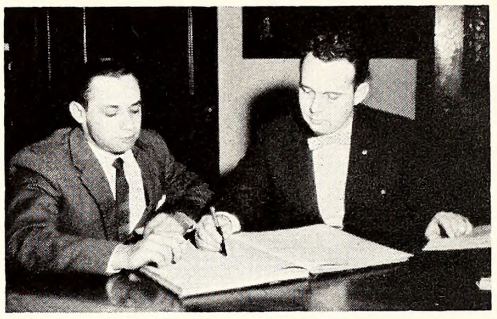
"The examination and supervision has become more complex and time-consuming since many larger groups have expanded their loan policy to include real estate and automobile loans," says W. V. Didawick, superintendent of credit unions. "Electronic and other modern business machines have been installed in these credit unions to facilitate their operations. To maintain our high standards in the examination program requires that our auditors be familiar with these many types of equipment and with accepted sound business practices and standard auditing procedures."

The law provides many safeguards for the financial soundness of credit unions. In their organizational structure the law requires each credit union to have a board of directors, a credit committee, and a supervisory committee, with the respective powers and duties of these groups clearly stated in the credit union's by-laws. The directors are responsible for general management of the credit union, set its policies approve all applications for membership, set the interest rate (never more than 1% per month on the unpaid balance), and declare the dividends. They elect a president, vice president, treasurer, and secretary. Officers and directors meet monthly and they hold additional meetings if necessary.

The supervisory committee provides the internal control of the credit union and is considered to be the "watch dog", because this committee has the responsibility of examining the affairs of the credit union and reporting to the membership at the annual meeting. The credit committee passes upon loan applications.

The treasurer is the active manager of the credit union. He keeps the books, makes the financial reports and is in charge of the receiving and disbursing of funds. Most of the members come to the treasurer with their financial problems. Applications for loans not covered by shares in the credit union or other acceptable collateral are transmitted by the treasurer to the credit committee. Most of the work of a credit union falls on the treasurer, so he may be paid for his credit union work. Other members of the board and committees volunteer their services, thus helping to keep overhead and operating expenses at a minimum.

Over and above this internal credit union management is the governmental supervision by the superintendent of credit unions as required by law. Each credit union must file with him a financial statement and report in January and July of each year and these reports must be verified by oaths of the treasurer and by oaths of a majority of the supervisory committee. The superintendent may also demand at any time such further reports under oath as he deems necessary. Credit union division auditors audit the books of each credit union at least once a year, and if it seems advisable they make several audits of a credit union during the year. Credit union members have a remarkable record for repayment of loans.



Rodney C. Ordorff ond Chorles T. Jones, fiscol examiners.

The credit union, with its inherent philosophy of self-help and economic democracy, has proven its soundness over the years by its remarkable growth. Averaged over the entire state, total credit union savings per member is not large, despite the rapid growth, and the demands for loans exceed the available cash in some cases.

Even the small savings are important, however, as most of them are accumulated by the setting aside of money regularly in small amounts that might not otherwise have been saved. By encouraging habits of thrift among its members credit unions have accumulated funds that are used for loans to the members for provident purposes. Such loans have helped many families over their financial rough spots, thus replacing anxiety and despair with confidence in the future. Many credit unions are providing a counseling service for members who need assistance in managing their financial affairs. And savings in credit unions have provided security and stability for thousands of families in North Carolina. The following instance cited by Dida-

—See Credit Unions, page 29—

NORTH CAROLINA STATE CHARTERED CREDIT UNIONS

AHOSKIE
Methodist Ministers' Credit Union, Ahoskie, 113 Railroad St., Ahoskie
ASHEVILLE
Arcade Credit Union, c/o Grove Arcade Bldg.
Asheville Municipal Credit Union, City Hall, Box 7148
Asheville S & W Credit Union, 56 Patton Ave.
Bon Marche' Employees' Credit Union, c/o Bon Marche' Inc.
Buncombe County Employees' Credit Union, Room 314-315 Court House
Carolite Credit Union, c/o Carolina Power & Light Co.
Citizen-Times Credit Union, c/o Asheville Citizen-Times
Coca-Cola Bottling Co. Credit Union, c/o Coca-Cola Bottling Co.
Farmers' Federation Credit Union, c/o Farmers' Federation Cooperative
Memorial Mission Credit Union, c/o Memorial Mission Hospital
Postal Credit Union, U. S. Post Office
Service Credit Union, 47 Eagle St.
Telco Credit Union, 24 O'Henry Ave.
Transco Credit Union, c/o White Transportation Co.
BILTMORE
Biltmore Farms Credit Union, PO Box 5007, 1 Vanderbilt Rd.
BLACK MOUNTAIN
M M C Credit Union, c/o Morgan Mfg. Co., Inc.
BURLINGTON
Burlington Paid Firemen's Credit Union, c/o Central Fire Station
Burlington Postal Credit Union, c/o US Post Office Bldg.
CANTON
Champion Credit Union, c/o Champion Paper & Fibre Co.
CATAWBA
Catawba Credit Union, PO Box 168, Catawba
CHAPEL HILL
Orange County Credit Union, c/o Midway Barber Shop Carrboro, N. C.
CHARLOTTE
Acco Credit Union, c/o American Cyanadical Co., Box 10536
Albright Boat Employees' Credit Union, 520 Penman St.
Biggers Employees' Credit Union, 2800 S. Blvd.
Blue Flame Credit Union, PO Box 1968
Builders Credit Union, c/o Doggett Lumber Co., Box 3036
Carolina Telco Credit Union, 109 W. Third St.
Charlotte Esso Credit Union, c/o Esso Standard Oil Co., Box 420
Charlotte Fire Dept. Credit Union, 125 S. Davidson
Charlotte Post Office Credit Union, c/o Post Office Bldg.
Charlotte S & W Credit Union, Drawer 2757
Checkerboard Credit Union, 1710 N. Tryon St., Box 1495
Con-Braco Credit Union, 2019 N. Tryon St.
Delmar Employees Credit Union, c/o Delmar Studios, PO Box 4120
Frederickson Employees' Credit Union, PO Box 10476
Heralpac Credit Union, PO Box 1888, 1930 Camden Rd.
Hudson Employees' Credit Union, 2113 Kirkwood Ave.
Lance Employees' Credit Union, PO Box 2389
McClure Employees' Credit Union, Rt. 6, Box 415-C
Nawsuco Credit Union, National Welders Supply Co.
News Credit Union, PO Box 346, 126-128 S. Church St.
Observer Employees' Credit Union, PO Box 2138
P & C Credit Union, PO Box 3664, c/o Pelter & Crane Co.
Queen City Credit Union, c/o Queen City Foundry Co.
Scott Associates Family-Employees Credit Union, 300 W. 5th St.
Sharonview Credit Union c/o Celanese Corp. of America Box 1414, Charlotte
Southern Railway Employees' Credit Union, PO Box 180
Termaco Credit Union, c/o Terrell Machine Co.
Western Union Employees' Credit Union
Wilkinson Boulevard Credit Union, Rt. 5, Gastonia Rd.
Wrenn Mutual Credit Union, PO Box 10186, 701 Pineville Rd.
CLYDE
WNCC Methodist Credit Union
CONCORD
Cabarrus County Credit Union, Rt. 1, Box 210-A, Concord
DRAPER
Piedmont Christian Credit Union, PO Box 445,
DURHAM
Durham Municipal Credit Union, c/o City Hall
Durham Postal Credit Union, Durham Post Office Bldg.
Durham VA Credit Union, c/o VA Hospital
Herald-Sun Credit Union, Durham Herald-Sun Paper
Mt. Vernon Credit Union, 303 Umstead St.
Triangle Credit Union, 1920½ Perry St.
West Durham Baptist Church, 1009 Thaxton Ave.
WTVD Credit Union, c/o WTVD Television Station
EDENTON
Chowan Credit Union, 413 S. Broad St.
ELIZABETH CITY
Lodge 1305 AFGE Credit Union, 201 S. Dyer St.
Pasquotank Credit Union, 505 S. Martin St.
ELKIN
Chatham Employees' Credit Union, c/o Chatham Mfg. Co.
ENKA
Enka Credit Union, c/o American Enka Co., Enka
FAIRMONT
Fairmont Citizens' Credit Union, PO Box 455,
FAYETTEVILLE
College Heights Credit Union, 1709 Murchison Rd.
Cumberland Co. Negro Teachers' Credit Union, 429 Gillespie St.
Fayetteville Observer Credit Union, 512 Hay St.
Fayetteville Postal Credit Union, c/o US Post Office
GASTONIA
Excelsior Credit Union, PO Box 411
GATESVILLE
Gates County Credit Union
GOLDSBORO
Goldsboro Credit Union, 407 S. Virginia St.
Goldsboro Fireman's Credit Union, 109 E Ash St.
Goldsboro Postal Credit Union, c/o US Post Office
GREENSBORO
Blue Gem Credit Union, c/o Blue Gem Mfg. Co., PO Box 1559
Concora Credit Union, c/o Container Corp. of America, 3300 E Market St.
Duke Credit Union, c/o Duke Power Co., Drawer K-1
Exam-Bank Credit Union, 617 W. Market St.
Fifth Division Credit Union, c/o NC State Hwy & Public Comm.
Greensboro Municipal Credit Union, City Hall
Greensboro Postal Credit Union PO Box 465
Greensboro S & W Credit Union 114 Market St.
Guilford Dairy Credit Union, c/o Guilford Dairies, Inc.
League Central Credit Union, PO Box 1345
Moses Cone Hospital Credit Union, c/o Moses Cone Hospital 1200 N. Elm St.
NCFB Credit Union, Rt. 3, Guilford College Branch
News-Record Credit Union, c/o Greensboro News Co. Bldg.
Piedmont Credit Union, 931 E. Market St.
Pilot Credit Union, c/o Pilot Life Ins. Co., Box P
Print Works Credit Union, PO Box 6427, Summit Station
Providence Credit Union, 121 Regan St.
Proximity Credit Union, 1309 Walnut St.
R.E.A. Credit Union, Railway Express Agency
Steel Credit Union, c/o Carolina Steel & Iron Works Co.
Tri-City Telco Credit Union, c/o Southern Bell Tel & Tel
White Oak Credit Union, PO Box 355, Summit Station #2
Woman's College Credit Union, c/o Woman's College
GREENVILLE
East Carolina College C. U., Administration Bldg. ECC
Eastern Tar River Credit Union, PO Box 332, 620 Albemarle Ave.
HAZELWOOD
Junaluska Tannery Credit Union, c/o A. C. Lawerence Co., 10-18 Sawyer St.
Wellco Credit Union, c/o Wellco Shoe Corp.,
HENDERSON
Henderson Postal Credit Union, U. S. Post Office, Henderson
HERTFORD
Perquimans Credit Union, Corner Dobbs St. & Edenton Rd.
HICKORY
Federal Employees' Credit Union, c/o US Post Office
HIGH POINT
Diamond Credit Union, c/o Diamond Hosiery Corp.
Furniture City Credit Union, 626 Fairview St.
H & C Credit Union, Drawer 1909
High Point Credit Union 106 Oakwood Ct.
High Point Municipal Credit Union, Box 124, City Hall
High Point Credit Union, 106 Oakwood Ct.
High Point Municipal Credit Union, Box 124, City Hall
High Point Postal Employees' Credit Union, US Post Office
Lumbermen's Credit Union, c/o Snow Lumber Co., Box 426
Melrose Credit Union, 1541 English St.
St.
North State Telco Credit Union, 110 College St.
HOPE MILLS
Rockfish Credit Union, Hope Mills, N. C.
KINGS MOUNTAIN
Compact Credit Union, c/o Compact High School, Box 651
Lincoln Academy Credit Union, Rt. 1, Box 276
KINSTON
Frosty Morn Credit Union, c/o Frosty Morn Meats, PO Box 647
Greater Kinston Credit Union, 109 W. Shine St.
Kinston Postal Employees' Credit Union, c/o US Post Office
Lenior County Credit Union, 125 W. Gordon St.
LAWNDALE
Douglas High School Farm Credit Union, PO Box 23
LEAKSVILLE
Dan River Credit Union, PO Box 346
LEXINGTON
Atlas Credit Union, c/o Ideal Funeral Home
LITTLETON
McIver Credit Union, Box 29, Littleton
LOUISBURG
Franklin County Farmers' Credit Union, Rt. 2
LUMBERTON
Robeson County Credit Union, PO Box 806
MARION
Atco Credit Union, PO Box 368, Marion, N. C.
MEBANE
White Furniture Co. Employees' Credit Union.
MOORESVILLE
Mooresville Credit Union, PO Box 373
NASHVILLE
Nashville Credit Union, PO Box 506
NEW BERN
A & E C Credit Union, 811 Chattawka Lane
Community Credit Union, 216 Lawson St.
Maola Credit Union, c/o Maola Milk & Ice Cream Co.
NORTH WILKESBORO
Parkway Credit Union, c/o State Hwy, District Office Box 271
OXFORD
Oxford Credit Union, Drawer 1012
PINEVILLE
Pineville Credit Union, PO Box 2121 c/o Cone Mills, Inc.
PLYMOUTH
N. C. Pulp Co. Employees' Credit Union
RALEIGH
Capolite Credit Union, c/o Carolina Power & Light Co.
Carolina Coach Credit Union, PO Box 1591, 1201 S. Blount
City of Raleigh Employees' Credit Union, c/o City Hall
Edbro Credit Union, c/o Edwards & Broughton, North Blvd.
Motor Coach Credit Union, PO Box 9604
News & Observer Credit Union, c/o News & Observer
R. D. "66" Credit Union, c/o Phillips Petroleum Co., PO Box 10405, Cameron Village
Raleigh Post Office Employees' Credit Union, Post Office
Stabilization Credit Union, Stabilization Bldg.
State Employees' Credit Union, Agriculture Bldg.
Tobacco Credit Union, 407-11 Park Ave. Ext., Box 549
United Cooperative Credit Union, PO Box 2419
Wake Credit Union, 122 E. Hargett St.
REIDSVILLE
Reidsville Post Office Employees' Credit Union,
ROCKY MOUNT
Atlantic Credit Union, 950 Lindsay St.
Rocky Mount City Employees Credit Union, c/o City Hall
Rocky Mount Postal Credit Union, c/o US Post Office
ROPER
Roper Credit Union, Box 208
SALISBURY
Federal Employees' Credit Union, c/o Main Post Office
Rowan County Teachers' Credit Union, 1008 W. Monroe St.
SANFORD
Chatham-Lee Credit Union, Pittsboro Colored High School
SOUTHERN PINES
Moore County Credit Union, 1245 W. Penn. Ave.
SPENCER
Carolina Tire Company Credit Union, PO Box 1084

PRAY
Fieldcrest Mills Credit Union, c/o Fieldcrest ills, Inc.
PRUCE PINE
Carolina Tire Company Credit Union
TATESVILLE
Iredell Credit Union, 334 Tradd St.
Sherrill Furniture Credit Union, c/o Sherrill urniture Co., Box 431
UPPLY
Brunswick County Credit Union, Box 573, South-ort or Rt. 1, Box 156, Bolivia
ARBORO
Edgecombe Credit Union, 420 E. Church St.
Telco Credit Union, 122 E. Saint James St.
HOMASVILLE
Mills Home Credit Union, c/o Mills Home
The Family Credit Union
ROY
Montgomery County Credit Union
ADESBORO
Anson County Credit Union, Rt. 1, Box 273
ARRENTON
Warren County Credit Union, Box 108
ARSAW
Duplin County Credit Union
AYNESVILLE
Thorobred Credit Union, c/o Dayton Rubber Co.
ELDON
Roanoke Credit Union, 414 W. Fourth St.
ILMINGTON
CEWD Credit Union, 308 Customhouse
Coastalite Credit Union, 209 S. Ninth St.
ilmington, c/o Carolina Power & Light Co.
New Hanover Credit Union, PO Box 366, Wil-ington
Southland Credit Union, c/o Block Southland Sports Wear, Inc., Drawer 420
Star-News Credit Union, c/o Star-News News-apers, Inc.
Wilpo Credit Union, c/o US Post Office, Box 46
ILSON
City of Wilson Employees' Credit Union, c/o ty Hall
Coastal Dairy Credit Union, c/o Coastal Dairies
Wilson Postal Credit Union, c/o US Post Office
W. R. M. F. Credit Union, c/o Southern Dairies Co.
WINDSOR
St. Luke Credit Union, 137 Ghent St.
WINSTON-SALEM
Bahnson Credit Union, 1001 S. Marshall St.
Bassick-Sack Credit Union, 2491 Indiana Ave., PO Box 4237
Brenner Associates Credit Union, c/o Brenner Iron Works, Box 2776
Carolina Garage Credit Union, 201 Waughtown St.
Forsyth County Employees Credit Union, c/o Court House
Hanes Hosiery Credit Union, c/o Hanes Hosiery Mills
Hennis Credit Union, PO Box 612
Kate Bitting Hospital Credit Union
McLean Employees' Credit Union, 617 Waughtown Rd.
Mutual Service Credit Union, 307 N. Main St., PO Box 2115 c/o Duke Power Co.
Pi-Com Credit Union, c/o Pilot Freight Carriers
Piedmont Aviation Credit Union, c/o Smith-Reynolds Airport
Quality Oil Credit Union, Box 2493, Winston-Salem
Salem Credit Union, 2091, Salem Steel Co.
Shriners' Masonic Credit Union, Masonic Bldg., 131 East 7th St.
Twin-City Telco Credit Union, Telephone Building
Winston Mutual Employees' Credit Union.
Winston-Salem City Hall Credit Union, c/o City Hall
Winston-Salem Firemen's Credit Union, 117 W. 8th St.
Winston-Salem Police Credit Union, c/o Police Dept.
Winston-Salem Postal Credit Union, c/o Post Office
W. S. Type Credit Union, 416 N. Marshall St.
YANCEYVILLE
Caswell Credit Union, Box 308

CREDIT UNIONS

—Continued from page 27—

ick, while not average among credit nion members, does not represent a far-etched example.

While visiting an industrial credit un-n in the state, Didawick said. he fell nto conversation with one of its mem-ers. The member, an elderly man, told idawick that he had been employed by his concern when he was already fairly ell along in years. His was not a highly aid job and afforded no surplus for zeable savings. However, shortly after tarting work with this concern he was pproached to join the credit union and greed to purchase one $5 share in it. rom time to time he added small mounts to this savings account and be-ame interested in seeing the total grow. hen as the years passed he shared in eneral salary and wage increases. He nd his wife, growing older and without hildren to provide for, found their fi-ancial needs leveling off and in each ase this employee deposited all or most f each pay raise in his credit union hare account. By this method of regular aving, this employee has in the course f years accumulated a fund of $12,000 t the credit union. As he nears the me when he must or wishes to retire his man and his wife, with their social ecurity benefits, face a financially se-ire old age. And all because he became terested in a financial institution of hich he was a part-owner.

To this could be added countless true stories of people whose homes are paid for, who have added to their industrial wages income from land purchased for part-time farming, who have given their children a college education, or who are simply enjoying freedom from the nagging worries of perpetual debt—all because a credit union has provided them with the financial assistance they needed in a way that did not compound indebtedness by high interest rates or payments beyond their means.

The 1915 law placed supervision of credit unions under the Department of Agriculture's Division of Markets, and in their early history that agency bore the cost of salaries and travel for the superintendent and his staff. Ten years later the law was amended to make credit union supervision a responsibility of the State Department of Agriculture, deleting the reference to the markets division. Shortly thereafter the commissioner of agriculture set up a separate credit union division in the department. However, supervisory costs were still paid from state funds.

But in 1941 the law was further amended to set up a system of fees to be paid by the credit unions to defray the cost of state supervision. Credit unions had become so soundly established that they could pay their way. Throughout succeeding years fees were raised from time to time as the cost of supervision increased, but small supplementary state appropriations were often necessary to meet the need for adequate supervision.

In 1957 the schedule of fees was again raised, with a stipulation in the law that the Credit Union Division must operate within the funds those fees provide. This upward schedule of fees and new provision in the law had the support of both credit unions and the Department of Agriculture. And with this independence from tax support it might be said that the credit union movement became fully of age in North Carolina.

CONSERVATIVE MANAGEMENT

—Continued from page 21—

its present main office. The association will occupy the ground and first floor of the five-story building, renting out the additional space until its own growth requires some of this space.

Upon moving into the building, the association will be able to increase its service to its customers. Its present facilities are limited by space. With the expanded space, the association can increase its staff from 34 to 55 employees by January, 1963. The growth in both space and personnel will also enable it to offer more individual, more specialized service to its customers and to extend its lending programs to other types of mortgage loans.

Based upon conservative management and planning for the future, First Federal of Raleigh has had a past record of phenominal growth. With a continuation of these policies plus expanded facilities, it expects to remain a pace-setter in the savings and loan field.

PRIVATE CITIZENS

—Continued from page 25—

women. All of these will be full-time employees.

This "new frontier" in organized effort toward making our highways safer, and in reducing the number of traffic deaths, has many advantages over previous campaigns.

This organization is permanent. It was organized by public-spirited people in private enterprise. The Council is financed by private individuals and companies. It is not responsible to any agency or branch of the Government. The Governor is the Honorary Chairman, but the operation of the Council is left in the hands of the Officials.

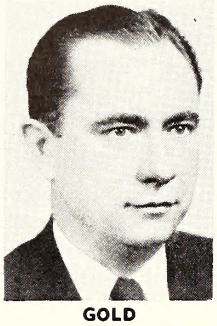
When this group appears before the Legislative bodies with recommendations, the Legislators will know that it means business. That the Council has carefully examined the proposed legislation prior to its presentation. That definitely it is not trying to "get more money from the budget committee" nor to "enlarge its present staff" at the expense of the taxpayers.

With a careful, and far-reaching look ahead, this organization is fired with a determination, and the financial backing to accomplish the "something" suggested by Governor Terry Sanford, March 22.

INSURANCE BUSINESS IN NORTH CAROLINA

By Charles F. Gold
Commissioner of Insurance

As the population and wealth of North Carolina has increased through the years, so has the business of insurance. At the present time, 624 companies—life, fire and casualty, reciprocals, hospital associations and county farm mutuals—are licensed to do business in North Carolina. Of this number, domestic insurance companies include 24 life, 15 fire and casualty, 1 reciprocal, 2 hospital associations, and 31 county farm mutuals. Out-of-State companies include 173 life, 342 fire and casualty, 13 reciprocals and 16 fraternals. These insurers are offering all types of coverage to the people of our State. Admitted assets of our domestic companies are in excess of a billion dollars, and on a nationwide basis, is much greater. It should be borne in mind that a large portion of these assets consist of legal reserves which are held for the benefit of policyholders and beneficiaries. They are in effect trust funds, and for that reason, the law requires that assets be in coin or currency, interest-bearing bonds and certificates, notes of indebtedness to the United States Government, states and political subdivisions, dividend-paying stocks and first mortgages on real estate, and home and regional office buildings. These rigid investment requirements are essential because it is imperative that companies remain solvent and are able to pay when losses occur. This available capital has played a vital part in the growth and expansion of North Carolina, particularly in the field of home construction. First mortgages on real estate comprise a major portion of the assets of many insurance companies, particularly life insurers. It has enabled communities to grow and served a useful purpose in promoting competition among lending institutions.


GOLD

The 624 insurers doing business in North Carolina are providing employment for agents, brokers, adjusters, secretarial and other office personnel. It can safely be estimated that 25,000 people earn their livelihood in the insurance business of the State.

During the year 1959 (the latest year for which statistics are available) North Carolina policyholders were paid $77,862,118.52 by accident and health companies. Total fire and casualty losses paid amounted to $119,979,324.29, and life insurance companies paid $54,860.00.

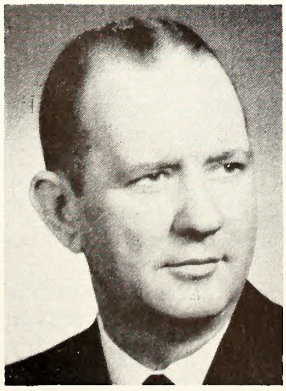
Premium taxes and license fees for the last fiscal year amounted to $13,071,840.71. These monies which are collected by the Insurance Department are turned into the General Fund for the operation of State government. As the State grows, the prospect is that the business of insurance and the number of people engaged in it will increase, for insurance is essential to our modern day economy. It affects the lives of practically all of our citizens, and although it is not a public utility, it has been recognized that there should be some supervision and regulation of it.

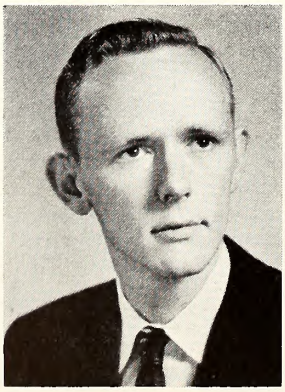
The General Assembly established the Department of Insurance in 1899. Present law charges the Commissioner of Insurance with the duty of seeing that all statutes pertaining to insurance companies, associations, orders and bureaus, are faithfully executed. To that end, he has authority to make rules and regulations not inconsistent with law. It is further provided that he shall receive reports giving full information on insurance companies and bureaus, to receive annual statements on their financial condition, to report violations of laws to the Attorney General, to give a synopsis of insurance contracts requested from citizens of this State, and to administer oaths when required in the discharg of official duties.

In life insurance, a company know how much will be paid at the time c death or at maturity of a contract, an thus the premium can be established i advance without the necessity of makin any rate changes during the time th contract is in force. On the other hand fire and casualty rates must, under th statutes, be adjusted from time to time This is usually done annually. If losse can be held to a minimum, the public ca enjoy more reasonable rates. That i why fire prevention and safety on ou highways can play such a material pa in rate-making. Whenever there are rat changes, it is only after a public hearin at which interested parties have th right to appear.

Although North Carolina law require that companies doing business in th State be licensed and further that the be represented only by licensed agent it should be remembered that unde Federal law insurance companies can se policies through the mails without bein licensed to do business here. Since th Insurance Department has no superv sory authority over such mail order in surance companies, I have always urge the purchase of insurance only throug companies that are licensed in this Stat In making this statement, I do not mea that all mail order insurance is a ba bargain, for such companies have pai claims under their policies. In a numbe of cases, it has been found, howeve that the coverage sold is restricted, ben fits have not been reasonable in relatio to the premium charged and difficult has been encountered in collecting claim If anyone is in doubt as to whether c not a company is licensed in North Car lina, it is suggested a letter be directe to the Department of Insurance, whic keeps a list of licensed companies, a well as the names of unlicensed comp nies known to be doing business throug the mails in North Carolina.

MEMBERS OF INSURANCE ADVISORY BOARD


H. E. BRAY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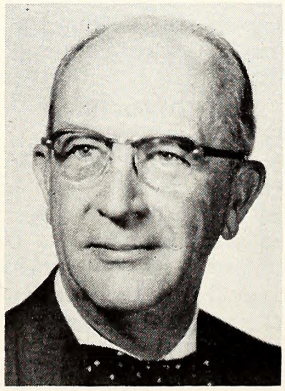
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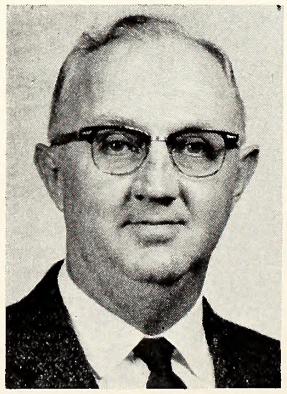
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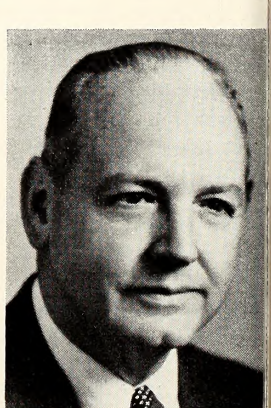

W. H. ANDREWS, JR.

IOSPITAL CARE ASSOCIATION HAS PHENOMENAL GROWTH

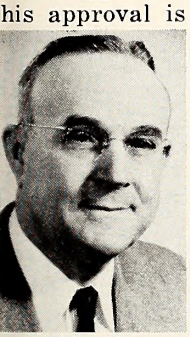
By H. C. Cranford
Director Public Relations, Hospital Care Association

The growth of Blue Cross has been henomenal. In the United States today bout 58,000,000 people belong to this oluntary system for prepaying unex-ected hospital bills. No other movement American history has grown so fast a corresponding period of time. ighty-four Blue Cross Plans now serve very state in the ation, Puerto Rico, nd Canada.

ROBERTS

The original pre-ayment plan, which ter developed into lue Cross, was arted by a group f school teachers Dallas, Texas in 929.

The term "Blue ross" and the now-familiar emblem, re registered by the American Hospital ssociation. The AHA sponsors the Blue ross movement and is responsible for nnual approval of all Blue Cross Plans. his approval is a means of enforcing standards and of protecting the interests of the subscriber as well as the participating hospitals.


HERNDON

Blue Cross operates on a non-profit basis. It pays no dividends to stockholders for it has none. Any surplus realiz-d must be either placed in a reserve to ake care of epidemics or other contin-encies, or returned to the members in ne form of reduced dues or increased enefits.

Blue Cross is designed to protect the verage family against the unknown ex-enses of unexpected illness. It is based n the precept that most families can fford to pay small dues in advance for rotection, but few can pay out several undred dollars unexpectedly for hos-ital bills, without wiping out their fe's savings or going into debt for ionths to come.

In addition to protecting members gainst financial damages of illness, Blue ross helps to stabilize hospital in-ome. Blue Cross pays hospitals di-ect. Thus hospitals are assured of col-cting for their services to Blue Cross iembers within the provisions of the iember's certificate.

A subscriber who changes jobs, or ioves to another state, may continue is Blue Cross membership, either with n employee-group plan where he works r on a direct (individual plan) basis. Under the group plan dues payments are made monthly by pay roll deduction or group treasurer. The direct pay plan provides for quarterly payment of dues by mail.

Through the Inter-Plan Bank of the national Blue Cross Association Blue Cross members may obtain their benefits at any contracting hospital anywhere in the United States. This reciprocal arrangement between the Blue Cross Plans became effective in 1949, and is now used by thousands of members who require hospitalization while traveling out of the state. Claims are processed by means of a teletype system which connects all Blue Cross Plan offices. Benefits are also paid to approved general hospitals in foreign countries.

ALLEN

The North Carolina Blue Cross Plan, Hospital Care Association of Durham, is the oldest health service plan in the State and the fourth oldest Blue Cross Plan in America. Organized in 1933, the Association currently has a membership in excess of 360,000, operates district offices in Raleigh, Durham, Greensboro, New Bern, Salisbury, Charlotte, and Asheville. Full-time representatives are located in other principal towns. Altogether the Association employs over 180 people, and in 1961 will have a gross income of more than $10,000,000.

CRAWFORD

Hospital Care was created to meet a social and economic need brought on by the depression.

North Carolina in the late 20's and early 30's had a serious shortage of both doctors and hospitals. In the proportion of physicians to population, the state ranked 44th in the nation. In the proportion of hospital beds to population it stood 42nd.

The few hospitals and doctors in the state were found in the larger towns. Half the counties in the state had no hospital facilities at all, and many did not even have a physician.

Not only were there not enough doctors, and not enough hospital beds, there was also the dollar problem.

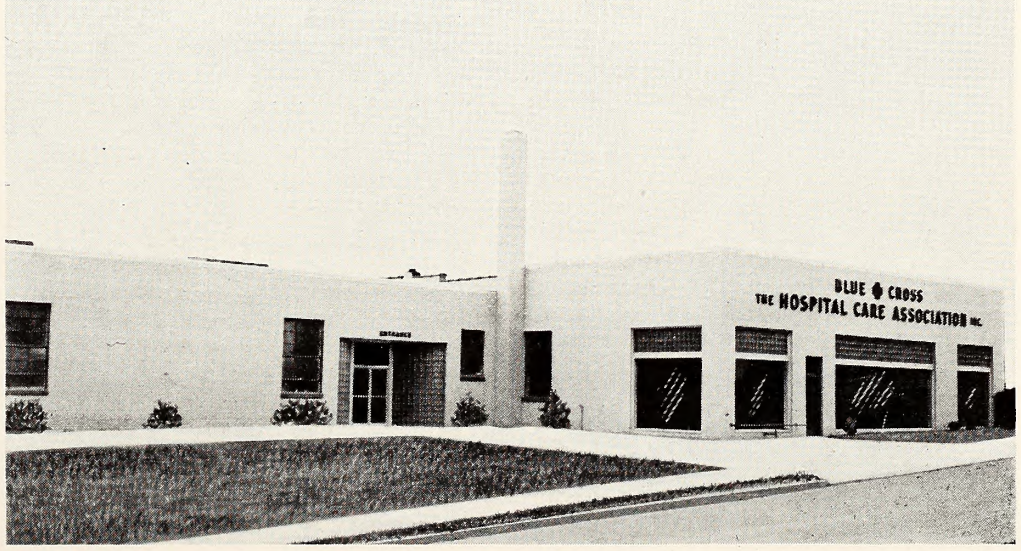
The depression had left most folks unable to pay for services even if they could get a bed. Everywhere in the state people had to put off going to the hospital because of inability to pay.

There was also a widespread fear of hospitals. The average citizen needing treatment had to be seriously ill before he would consent to being admitted.

Hill, Davidson Founders

It was against this background of inadequate facilities, inability to pay, and general uncertainty in the hospital field, that two public-spirited Durham citizens, Dr. W. C. Davison, Dean of the Duke Medical School, and George Watts Hill, Durham industrialist and Chairman of the Board of Watts Hospital, first began making plans for the establishment of a hospital service plan in the summer of 1929. The stock market crash in October of that year and the resulting depression forced them to abandon the idea temporarily.

It was not until 1933 that interest in the plan was revived by a group of Raleigh citizens, who secured a charter from the state to organize a group hospitalization company with private capital. The company was named The Hospital Care Association and the first



Home Office of Hospital Care Association.

office was opened in Raleigh in August of that year.

First to Enroll

The first members enrolled were Mr. and Mrs. Charles L. Medlin, of Raleigh. Medlin was a printing shop operator. When he printed the first certificates issued by Hospital Care he agreed to accept, as payment toward his printing bill, a membership in the struggling Association.

After floundering in Raleigh for several months, the Association approached Duke and Watts Hospitals in Durham and requested financial support. Credit extensions in the amount of $1,000 each, payable over an 18-month period, were granted by both hospitals; and a cash operating fund of $250 was provided when Hill endorsed the Association's note for that amount on Nov. 14, 1933.

Shortly after this the Home office of the Association was moved to Durham.

Early progress of the Association was slow and painful.

Prepaid health care was still an unknown quantity, and marketing the product on a non-profit basis was considered a daring risk.

The first group—for employees of the Herald-Sun Papers in Durham—was established on Dec. 1, 1933. Shortly thereafter groups were organized at Duke University and the University of North Carolina for both faculty and maintenance employes.

By an interesting coincidence the first certificates issued by Hospital Care Association had a cross printed on the cover, although it was not until five years later in 1938 that the Association was accredited by the American Hospital Association, and authorized to display the official Blue Cross emblem.

First Baby Born

On December 17, 1933, the Association paid its first maternity benefit. This first "Blue Cross Baby" was Ann Woodard, daughter of Mr. and Mrs. Marvin Woodard, of Chapel Hill. Not only was Ann Hospital Care's "first baby," she was also the first "Blue Cross baby" in America. Since her birth an estimated 25 million babies have been delivered under the National Blue Cross program.

By 1936 enrollment had increased to about 10,000 members, and Hospital Care was operating sales offices in seven cities, covering all sections of the state.

In 1939 Elisha M. Herndon, who had been employed in a sales capacity, became Executive Vice President. Under Herndon's leadership the Association grew rapidly. The enrollment of 53,907 members in 1939 had more than doubled by 1945.

When Herndon went to work for the organization in August, 1933, Hospital Care Association had assets of $250, one member, one salesman, one secretary, one desk, one telephone and an annual income of $18.

The salesman was Herndon. He's still with Hospital Care today and he still considers himself a salesman, even though he has since 1939 held the title of executive vice president.

More than any other individual, his associates say, Herndon has been responsible for the growth which Hospital Care has enjoyed over the past 25 years —and it has grown a lot.

The $250 in original assets now stands at $6,343,383; membership is around 360,000; the one-man sales force has grown to 90 men; the secretarial force has increased 100-fold; the one telephone has become a switchboard; and the annual income has gone from $18 to $10,000,000.

To go with Hospital Care in 1933, Herndon gave up a promising career with Aetna Life Insurance Company. He was with Aetna in Raleigh for two years after moving there in 1931 from his home town of Social Circle, Ga., where he taught school for a while after graduating from the University of Georgia.

The Blue Cross executive remembers, with mixed emotions, the early difficult days of the Hospital Care Association, when he was the only man on the payroll. "Money was tight in the spring and summer of 1933," he recalls. "It was a difficult thing to get enough capital to incorporate any business—much less one as untried and untested as prepaid health care."

The first Hospital Care certificates which Herndon sold covered all basic hospitalization with extras for $1.60 a month for an entire family.

"This sounds cheap," he says, "but remember that $1.60 a month was a lot of money in the budget of an average worker, and it was a rare situation indeed when the employer would give payroll deduction, much less pay part of the dues."

Although some hospitals and doctors were among Hospital Care's most enthusiastic supporters, others were skeptical and suspicious of any prepayment plan, Herndon remembers.

"They feared the prepayment plans would make an effort to direct patients to certain hospitals and to certain physicians instead of allowing free choice by the patient. They soon realized, however, that such fears were groundless, for free choice of hospital and physician was—and has remained—a basic tenet of our program."

While adhering to these fundamental purposes, the Association continues to maintain a flexibility of operations which permits frequent changes and improvements as necessary. Certificates are modified or replaced to meet the demands of rising hospital costs and the needs of the membership.

Coverage Increased

Hospital Care has always accepted the responsibility of more and better protection for its members. As hospital costs have increased, Blue Cross benefits co ered by Hospital Care have increas accordingly. In 1933 the average cost hospitalization in North Carolina was per day. Today the State per diem ave age is around $23.50. This increase h been due largely to higher wages f hospital personnel, expensive new dru the increased use of diagnostic facilitie inflation, and other advances in mode medical care. It has been partially offs by a reduction in the average length stay, from around 18 days to 6.2 da

A program of rural enrollment whi Hospital Care is sponsoring assur Blue Cross development in the rural se tions of the state comparable to the d velopment which has been achieved the industrial urban centers. Appro mately 50,000 farm people are now co ered by this program through grou organized by County Farm Bureau uni the Farmers Federation Cooperative Western North Carolina and other rur organizations.

Ben R. Roberts, of Durham, Sta Commissioner of Banks, is the preside of the Hospital Care Association.

Roberts resigned as president of t Durham Bank & Trust Company to ta the state job. He has headed the loc Blue Cross hospital service plan sin 1935.

Says Roberts, "I have seen this orga ization grow from its infancy in Durha to its present position as a leader in t field of prepayment health protectio serving the entire state. Hospital Ca is performing a valuable public servi and I am proud to be connected with it

When Roberts became president Hospital Care in 1935, the organizati was only two years old, had an enro ment of approximately 25,000 subscri ers and was paying hospitals and docto about $100,000 a year.

Roberts is a native of Shelby. He is past president of the North Caroli Bankers Association, and a former r gional vice president of the Americ Bankers Association. He served as Banking Examiner for the state fro 1926 to 1932.

Other officers of the Association a A. S. Brown, vice president, M. B. Alle secretary and treasurer; B. W. Har Jr., assistant treasurer; and F. W. She ton, assistant secretary.

The Board of Directors is composed four hospital administrators appoint by the North Carolina Hospital Associ tion, four physicians elected by the Sta Medical Society, and four public me bers representing the membership.

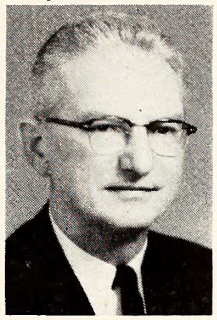
Members of the Board are: B. R. R berts, Raleigh; A. S. Brower, Durhar George Watts Hill, Sr., Durham; Tho as W. Steed, Raleigh; Sample Forbu Durham; E. R. Frye, Charlotte; J. Richardson, Charlotte; George M. Stoc bridge, Fayetteville; Dr. J. Street Bre er, Roseboro; Dr. Willard C. Gole

—See Hospital Care, page 58—

RAPID GROWTH KEYNOTE OF HOME SECURITY LIFE

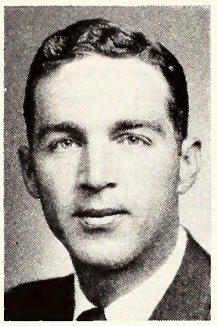
By Chris C. Hamlet
Vice President and Secretary
Home Security Life Insurance Company

Rapid growth has keynoted the progress of the Home Security Life Insurance Company since it was organized on May 30, 1916.


HAMLET

From a humble beginning nearly 45 years ago Home Security Life has become more than a successful insurance company—it is an institution dedicated to serving the people of North Carolina and now South Carolina as well.

There are scores of statistics which could be used to show the progress of Home Security Life. One statistic demonstrates more clearly than any other the record of the company:


HILL

At the end of that first year of operation in 1916 Home Security Life had insurance in force totaling $661,544. And as 1960 ended, the firm had over $325 million insurance in force—a business increase of nearly 500 times in 45 years.

Home Security Life's new home office building in Durham is another symbol of the company's continuing progress. Completed in 1958, this handsome structure of glass, metal and brick is one of the South's most modern buildings.

The new building is a far cry from the one room in which the company started in 1916.

Constructed at a cost of over $2 million, the home office building has 80,000 square feet of working space. It is designed, of course, for expansion as Home Security Life moves forward with the anticipation of continuing growth.

—See Home Security Life, page 40—

Top left shows typical office, conference and working space in the office building of Home Security Life Insurance Company. Right, The Board of Directors Room. Lower left, a striking night picture of the home office building and to the right, a view of the back of the building.

JEFFERSON STANDARD: 53 YEARS OF GROWTH THROUGH SERVIC

Life insurance is unique in that it combines savings and security. Either function, standing alone, serves a vital purpose. Combined, they provide a service that can be found nowhere else. Life insurance is the only method by which you can create an estate for your wife and children, in the event of your premature death, by the payment of a relatively small premium.

Life insurance plays an important role in the Tar Heel state, and has grown with the state for a long time. On August 7, 1907, when the Jefferson Standard Life Insurance Company opened for business in Raleigh, N. C., with capital stock and surplus totaling $500,000, it was hailed as the biggest corporation ever organized in North Carolina. In 1912, Jefferson Standard moved its Home Office to Greensboro, N. C., merging with Greensboro Life Insurance Company and Security Life and Annuity Company. From the day its first policy was written, the Company was launched on an amazing success story that was to extend its influence, eventually, over a vast portion of America. Jefferson Standard today serves more than 425,000 policyholders through 68 Branch Offices operating in 29 states, the District of Columbia and Puerto Rico.

During 1960, the Company established new Branch Offices in Gastonia, N. C., and Sacramento, California. On November 1 of last year, Jefferson Standard passed the two-billion-dollar mark in total life insurance in force. Within the life insurance industry, the total volume of life insurance in force is the principal "yardstick" for measuring progress. The Jefferson Standard—which reached its first billion "in force" in 1951, after some 44 years of steady progress—has doubled its total life insurance in force in less than a decade. As measured by volume of ordinary life insurance in force, Jefferson Standard today ranks in the top 3 per cent of the nation's more than 1,400 life insurance companies.

The Company's assets passed the $600 million mark during 1960, and stood at $620,540,561 as of December 31—an increase of $35,021,433 during 1960 alone. During the decade since December 31, 1950, assets have increased by 133.9 per cent, from $265,315,053. The Company now holds assets of $117.41 for each $100.00 of liabilities, one of the highest ratios in the industry.

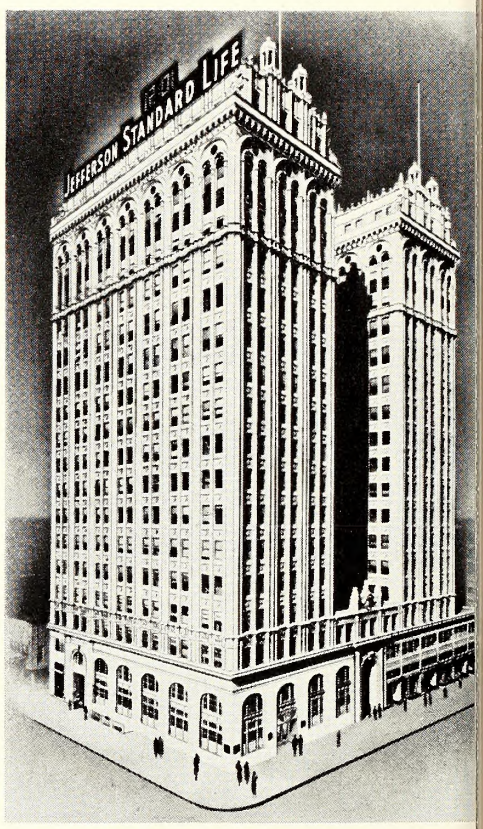
Jefferson Standard maintains a staff of approximately 550 employees at its Greensboro Home Office, and a sales organization of more than 1,100 qualified life insurance underwriters. Approximately 350 additional office personnel staff the Company's 68 Branch Offices and 107 District Offices. Sales throughout the Company's coast to coast territory last year amounted to approximately $230 mililon. This was the sixth consecutive year in which sales have exceeded $200 million.

With more protection in force on more lives than ever before, the Company paid a record-breaking total of $30,380,324 to policyholders and their beneficiaries in 1960—an average of $119,000 every Jefferson Standard working day. Of this amount 65.8 per cent was paid to policyholders themselves as "living benefits." Life insurance is being used more and more to meet the income needs of policyholders during their lifetime.

Through sound, well-diversified investments, the premium dollars paid in to the Jefferson Standard are put to work advantageously over the years, until the day when they are needed—together with interest—to pay the benefits provided in policy contracts. Thus, the same dollars that assure financial security for a vast number of Americans also help provide the investment capital for the current needs and future growth of our nation's economy.

Jefferson Standard's financial specialists seek to obtain the best possible return—consistent with safety—and investment funds are put to work primarily in the territory where Jefferson Standard life insurance is sold. The Company's basic investments are in mortgage loans, bonds and stocks, real estate acquired for long-term leases, and loans to policyholders. New investments last year totaled $86,800,000. During 1960 Jefferson Standard maintained the position of leadership it has held for more than 24 years in its rate of earnings on mean invested assets. Rate of earnings on mean invested assets in 1960 was 5.22 per cent before income taxes but after all investment expense

—See Jefferson Standard, page 43—



Home Office, Greensboro.

Jefferson Standard's President Howard Holderness, left, delivers the $25,000 policy that put the Company over the two-billion-dollar mark in life insurance in force on November 1, 1960. Owner of the policy is Earl L. Teague, Sr., right, Statesville, N. C. Robert L. Brodford, center, Statesville District Manager, wrote the policy. President Holderness holds a model of one of the pieces of heavy construction equipment sold by Mr. Teague's firm, the Buck Equipment Company.

THE STORY OF STATE CAPITAL LIFE OF RALEIGH

Back in 1936, when people were wondering whether King Edward VIII would abdicate the throne of England and what a baseball season would be like without Babe Ruth, a small group of Tar Heels —who recognized the increasing needs of the public for life insurance and who had confidence in the potential growth of North Carolina and the Southeastern area of the United States—organized the State Capital Life Insurance Company. From a modest beginning, the Company's area of operation during its twenty-five year history has expanded to include Florida, Georgia, Kentucky, South Carolina, Tennessee and Virginia. As the territory of operation was expanded, the insurance in force also increased. The following diagram shows the growth that occurred between certain intervals of the Company's history:

Year	Insurance in force
1936	$1,574,456
1945	$30,023,698
1950	$107,389,056
1955	$260,261,253
1960	$410,747,010

The principal office of the Company has always been located in Raleigh. The present Home Office Building is located at 2620 Hillsboro Street, directly across from the North Carolina State College Student Union Building in the West Raleigh Shopping and Business Center. This building was constructed in the latter part of the 1940's.

State Capital Life is a Stock Life Insurance Company. There are more than twelve hundred individual stockholders with no one stockholder owning more than 7% of the outstanding shares. Many of the company employees own shares of this stock which has either been acquired in the open market or through a Company Employees' Stock Purchase Plan specifically designed to enable employees to conveniently own shares.

As 1961 began, one hundred and eighty persons were employed by the Company in its home office to process and maintain records, account for and invest funds, and to plan future growth and development.

In addition to home office employees there are a large number of licensed sales agents and field managers—the life blood of any insurance company—and district office administrative personnel.

State Capital Life offers the most modern plans of individual ordinary and industrial life insurance, individual accident and health coverage and group life and accident and health policies for sale. As a convenience to the policyholders, premium payments may be made on individual policies directly to the home office or to the agent on an annual, semi-annual, quarterly, monthly or weekly basis. Because of the close contact that exists between the agent and the insured, immediate service is always available when policy changes are desired or policy obligations become due.

As a measure of the Company's value to its policyholders in the past, the following figures show how benefits paid to policyholders and their beneficiaries have increased over the years:

Amount paid: Year—1936, $1,302; 1945, $107,232; 1950, $775,392; 1955, $2,610,556; and 1960 $5,919,498.

In addition to providing employment and meeting policy obligations, the funds of the Company are invested to benefit the enhancement and growth of the economy in this area. The total assets of State Capital Life, with the exception of an amount necessarily needed to meet the usual current expenses and obligations, are invested, with percentage of each asset to the total, as follows:

Cash, 9.6%; Stocks, 7.5%; Government Bonds, 3.5%; Real Estate, 3.6%; Policy Loans, 6.5%; Other, .1%; Mortgages on Farms, .9%; Municipal and Industrial Bonds, 25.1%; and Mortgages on Homes and Business Properties. 43.2%.

These funds, carefully invested, return income in the form of interest, rents and dividends. Since the major part of this income accumulates to the credit of the policyholder's reserve, the end result is substantially lower insurance costs.

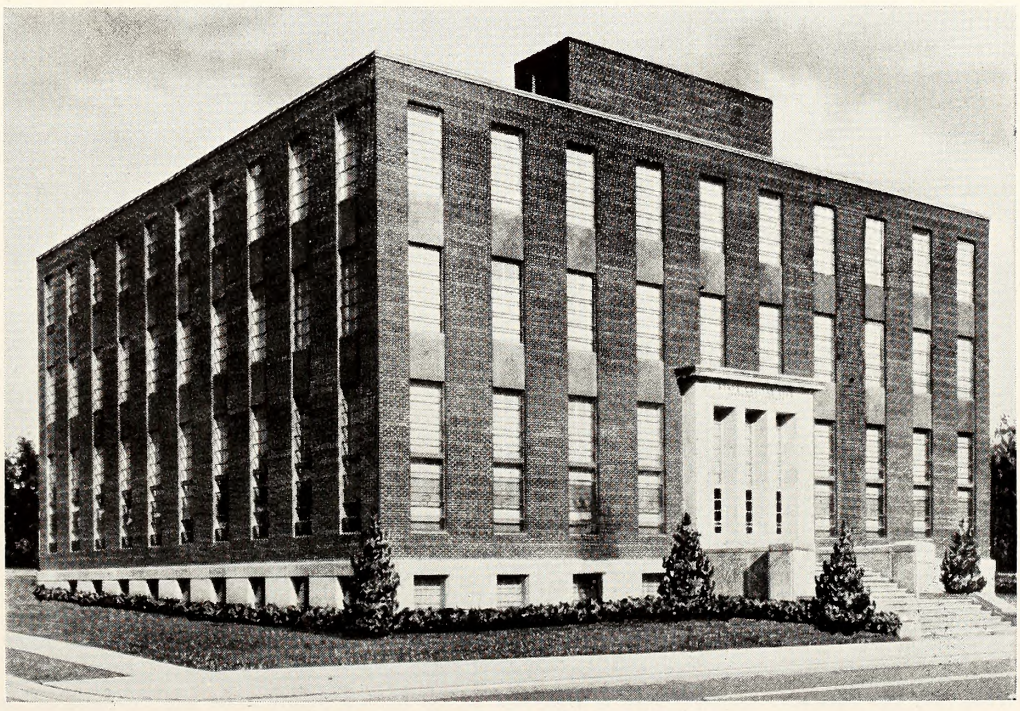
State Capital Life owns two subsidiary companies. They are The State Life Insurance Company of Columbia, South Carolina, which writes ordinary life and accident and health insurance and State Capital Insurance Company of Raleigh, a multiple line fire and casualty company. The address of the South Carolina Company in Columbia is—1419 Bull

—See State Capital Life, page 40—

Top: President H. F. Ledford and Vice-President and Agency Manager W. E. Simmons discuss the future plans of the Company.

Center: Mrs. Elsie Weaver, Mrs. Barbara Woodlief and Mrs. Virginia Smith of the Accounting Department.

Bottom: Raleigh District Manager W. C. Gibson (right holds a conference with (left to right) Agent G. W. Grady, Asst. Manager M. L. Moody, Agent W. E. Bone, and Asst. Manager M. O. Harris.



State Capital Life Home Office, Raleigh.

THE STURDIVANT LIFE INSURANCE COMPANY STORY

By Allan M. Goldston, Vice President, Sturdivant Life Insurance Company,

North Wilkesboro, boasting a population of nearly 5,000 people and noted for its poultry industry, furniture and apple orchards is also the home of STURDIVANT LIFE INSURANCE COMPANY operating in three states with over 30 million in force in the span of four years.

On April 2, 1918, a 16 year old boy, weighing 114 pounds, after a heavy meal, set out to make his way in the world. He owned a $1.59 suitcase and his first suit of clothes and one white shirt.

STURDIVANT

His first job was a milker in a dairy.

His present job is President of Sturdivant Life Insurance Company as well as being the organizer of several other corporations, including the Reins-Sturdivant Mutual Burial Association, one of the largest in the country with 70,000 members and 490 thousand in surplus.

Alvin Sturdivant helped Bill in the initial stages of organization by traveling throughout the area selling stock in the new company. He now serves actively as Secretary of the company and is Manager of the Wilkes Agency.

It seems typical that many successful North Carolina businessmen had limited formal education and more often as not, limited capital. With no money and a sixth grade education, Bill is but one of a large number of North Carolina business leaders who have achieved success by using a recipe of ambition and common sense stirred generously with hard work.

When Sturdivant Life Insurance Company issued its first policy in December, 1956, Bill had realized a life-long dream. A dream to help the families of Northwestern North Carolina. In the 50 months of operation Sturdivant Life now has helped thousands of families to protect their financial future by having $30,000,000 life insurance in force.

Oddly enough, Bill and Alvin Sturdivant personally sold all the shares in Sturdivant Life (20,000) without going through a broker and without having to pay any sales commissions. As evidence of growth and stability, the capital stock was sold at $20 a share and in November, 1960, the Company issued 6,000 additional shares of stock at the market price of $40 per share to the existing stockholders only and all the new stock was taken by the 400 shareholders.

The Company is under the supervision of Gordon E. Rhodes, a native of Raleigh and Burlington. Mr. Rhodes attended Wake Forest College prior to entering the life insurance business, twelve years ago. As a matter of fact, Wake Forest men play an important part in the management of the Company. E. James Moore, Director and attorney for Sturdivant Life graduated from Wake Forest. Dr. T. R. Bryan, Jr., Medical Examiner for the Company attended Wake Forest as did the author of this article.

Like most Southerners, we can't go far without the women getting into the picture. Mrs. Manie Brewer Beshears is Assistant Secretary to the Company and the first person employed when the Company started. Needless to say, her executive and secretarial experience has been invaluable.

Directors Include Top Management

The Board of Directors, headed by Bill Sturdivant, includes some of the foremost businessmen in Northwestern North Carolina.

Vernon Deal, Senior Vice President and Secretary of the Northwestern Bank, is a director of the Company and his years of experience in banking and finance has certainly been one of the key factors in the growth of Sturdivant Life.

Sturdivant Life Insurance Company held a Sales Meeting on Agency Organization and Development at the Robert E. Lee Hotel in Winston-Salem on January 23, 1961.

Richard Chatham, Executive Vi President of the vast Chatham Manu facturing Company, best known perhap for the Chatham Blankets, is anothe director of Sturdivant Life.

Richard Johnson, President of Dre Furniture Corporation and America Furniture Company, Inc., is also a mem ber of the Board of Directors and h experience in management and busines has been a valuable asset to Sturdivan Life.

Dewey Sturdivant, president of th Reins-Sturdivant Funeral Home i Sparta, North Carolina, helped brothe Bill in starting the Company and round out the Board of Directors along wit Gordon Rhodes, Vice President Te Broach and E. James Moore.

Sturdivant Maintains Three Basic Departments

The Credit Life Department issue policies for life, accident and health o the borrowers of finance institutions an is under the supervision of Vice Pres dent Ted M. Broach. Mr. Broach cam with the Company immediately after it inception and is responsible for a majo portion of the income of Sturdivant Life

The Savings & Loan Department i under the supervision of Mr. Max Foste and through this medio the company ha placed a substantial amount of life in surance on the lives of new home owner throughout North Carolina.

The Ordinary Life Department is buil of full-time career sales representative in many towns throughout the state, an maintains offices in Lynchburg and Dan ville, Virginia; Raleigh, Greensboro Statesville, Boone, Elkin and Nort Wilkesboro. Additional offices are plan ned for 1961 in Roanoke, Martinsvill and Charlottesville, Virginia as well a expansion in the Piedmont and Eastern section of North Carolina and Soutl Carolina.

The Company has approximately fort different plans of life insurance in it portfolio, including educational policies retirement and savings plans, endow ments, mortgage and business insuranc programs.

"A Home Owned" Company

Approximately 90% of the Sturdivan Life stockholders reside in Wilkes an the surrounding counties of Watagua Surry, Yadkin and Iredell.

But this "Home owned" company goe a little further than that, because the majority of the Company's assets ar invested in North Carolina to help buil new homes, promote the growth of busi ness and enterprise as well as provide a source of financial independence for the families of North Carolina.

Perhaps the best description of Stur divant Life was briefly phrased by President Bill Sturdivant at its Com pany-wide sales meeting in Winston Salem during January. "We are dedicat

—See Sturdivant Story, page 38—

STATE CAPITAL INSURANCE CO. WAS FORMED IN 1952

The State Capital Insurance Company s a multiple line, Capital Stock Insurance Company which combines its facilities with those of the State Capital Life Insurance Company (see separate article n this issue of the E. S. C. Quarterly) o offer full and complete insurance protection of all kinds to the insuring public in the Southeast. Following World War II, the management of Sate Capital Life foresaw what has since become a national trend of close association of life, property, and casualty insurance companies providing full facilities through a single source.

The State Capital Insurance Company 2620 Hillsboro Street, Raleigh, N. C., was incorporated under the laws of North Carolina on July 30, 1952. Active underwriting operations began in May of 1953, with a Capital of $500,000.00 and a contributed Surplus of $250,000.00. Total premiums written by the Company n 1953 amounted to $9,040.00, and material increases have been recorded each year. The Million Dollar mark in written premiums was passed in 1957, and an all time high of $2,040,110.00 was recorded in 1960. Total assets have shown a corresponding increase and in 1960 reached an all time high of $1,634,125.00. Business is produced by more than 800 local agents throughout North Carolina, Virginia, South Carolina, Georgia and Tennessee.

Principal types of insurance written include: fire, extended coverage, windstorm and hail, multiple peril package policies for homes and businesses, inland marine, automobile bodily injury and property damage, automobile physical damage, and general liability. The major source of these types of business are the local, independent agents who represent the State Capital in their home communities. These agents are civic and community leaders residing throughout the five state area in which the Company operates. Life insurance, annuities and other forms of protection not offered through property and casualty companies are available to these same agents through the facilities of the State Capital Life Insurance Company.

Complete facilities for protection against all insurable losses are also offered to banks and other leading financial institutions through the combined facilities of the two Companies. Full protection against impairment of the ability of the borrower to repay the lending institution is afforded. Should the automobile, appliance, or other property offered as collateral for a loan be destroyed or damaged by collision, fire, or other insurable peril, the State Capital Insurance Company offers the protection needed. Protection against impairment of ability to repay as a result of loss of life, accidental injury or sickness is provided by the State Capital Life Insurance Company.

Mortgage lenders, including mortgage bankers and savings and loan institutions, are offered a full line of fire, windstorm and hail, and multiple peril package policies by the State Capital Insurance Company. The multiple peril package policies not only offer full protection against physical damage to or destruction of the home and its contents, but also provide for the reimbursement for loss resulting from theft and protection against financial loss as a result of personal liability for acts which may damage the person or property of others. These facilities, combined with full lines of mortgage retirement insurance and life and accident and health insurance offered by the State Capital Life Insurance Company, provide means whereby mortgage investors may safeguard against all insurable perils which may impair the ability of the borrower to fulfill his obligation.

To afford the safety of a wide spread of risk, to safeguard against impairment of Capital as a result of any catastrophe, and to permit controlled expansion of operations, reinsurance facilities are maintained throughout the world. Special contracts have been arranged with the two largest reinsurance companies in the world: automobile, casualty, fire and inland marine contracts are in force with the North American Reinsurance Company which is the United States branch of the Swiss Reinsurance Company of Zurich, Switzerland; and additional fire reinsurance contracts are in force with the United States branch of the Munich Reinsurance Company of Munich, Germany. Other reinsurance facilities utilized by the Company include: Lloyds of London, the United States branch of the General Insurance Company of Trieste and Venice, and the American Independent Reinsurance Company of Orlando, Florida.

A Capital Stock Company, the State Capital Insurance Company has bolstered its program of providing the best of service and protection to its agents and policyholders by affiliating with the best of the national organizations in each of its lines of business. Included among the

1. Filing Deportment—Volno Janes (left) ond Coralyn Kintan (right) doing their doily wark. 2. Casualty Underwriting Deportment—Miss Ruth Phillips discusses applicotion with Mr. Jomes L. Perry. 3. Conference between Mr. J. G. Stoples (right), vice president ond generol monoger af Fire Campony ond Mr. James L. Perry, (left) ossistont vice president. 4. Fire Underwriting Deportment—Mrs. Ruth Rambeout canfers with Miss Groce Kennedy. 5. Agency Deportment—June Hughes, Secretory ta Mr. Ray M. Gallaway, Vice President, (sitting) canverses with Jean Horringtan, (standing) secretary ta Mr. J. G. Staples, Vice President. 6. Brendo Raberstan (front) ond Pat Palson (back) processing cloims. 7. Claims Supervisar Williom H. Scales reviewing cloims submitted to the compony. 8. Billy Smith ond Lucille Bunn reviewing generol accounts in Accounting Deportment. 9. Betsy Murroy, IBM operotor, gets work dane efficiently with her helper. 10. Buddy Smith ond Peggy Weover ore in the Accounting Department checking agency accaunts. 11. Accounting Dept.—Malcolm Dovis, IBM Representotive and Jean Pritchord gets instructians fram Lorry D. Haaks, assistont treasurer.

organizations, whose complete facilities are available to the State Capital as either a member or a subscriber, are: National Board of Fire Underwriters, Southeastern Underwriters Association, National Bureau of Casualty and Surety Underwriters, Association of Casualty and Surety Companies, National Automobile Underwriters Association, National Automobile Theft Bureau, and the Inland Marine Underwriters Association.

For those policyholders who suffer losses while away from home, around-the-clock adjusting facilities are available throughout the entire free world. For members of the public who wish expert, professional advice on any insurance problem, friendly local agents are available throughout the Southeast. For local agents, financial institutions, and mortgage investors to discuss insurance problems and needs, the nearby Home Office staff is always available.

Mr. Hubert F. Ledford is President of both the State Capital Life Insurance Company and the State Capital Insurance Company, and Thomas W. Alexander is Secretary-Treasurer of both Companies. Supervision of management and underwriting activities of the State Capital Insurance Company is under the direction of John G. Staples, Vice President and General Manager. Mr. Staples has been with the Company since 1955 and has been active in fire and casualty insurance management in the Virginia-Carolinas area for the last fifteen years. Born in Reidsville, North Carolina, he is like all the supervisory personnel, a born Southerner dedicated to the progress and growth of the South. Vice President Ray M. Galloway is supervisor of expanding and developing agency relations. Assistant Vice President James L. Perry is supervisor of underwriting activities. Larry D. Hooks is Assistant Treasurer and William H. Scales is supervisor of claims.

Owned by Southerners, directed by Southerners, managed by Southerners, and with its Home Office located in Raleigh, North Carolina, the State Capital Insurance Company is rapidly becoming established as a leading insurer of Southern Homes and the Homes of Southern Industry.

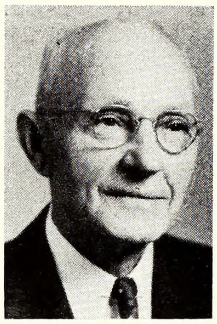
STURDIVANT STORY

—Continued from page 36—

ed to the people of North Carolina, not only to those employed by Sturdivant Life, but to those who have planned their financial future through Sturdivant Life. We have no desire to be the biggest company but rather the best company. We have no desire to be the fastest growing company, but the most stable company. Our Company will grow only through hard work, effort and a burning desire to help people. If we do that, the Great Architect of the Universe will do the rest."

Southern Life Insurance Co. Has $236 Million In Forc

Southern Life Insurance Company recorded another year of progress, W. L. Carter, President, announced in releasing the Company's 34th Annual Report. Carter said, it is indeed a pleasure for me to report to you that 1960 was another year of progress in Southern Life's history. Our position was strengthened in all fields and our growth continued.



CARTER

Insurance in force was increased by more than 20 million dollars, and the total at year's end exceeded 236 million dollars.

758 dedicated members of the Southern Life family of employees represented your company with enthusiasm in 11 progressive states in the southeast. Through their conscientious efforts, we now assure the security of 387,253 policyholders and their dependents.

We maintained our strong financial position, with a most favorable ratio of $111.00 of assets for each $100.00 of liabilities. Southern Life's investment in carefully selected stocks, bonds and mortgage loans produced earnings which allowed your company to continue its practice of paying not less than 4% on proceeds of policies left with the company.

The first year of the new decade was a difficult one for our Nation. General business has been disappointing to many because of the many optimistic forecasts that had been made for 1960. General business experienced a more difficult climate in which to operate. Political uncertainties both at home and abroad kept people concerned and disturbed for the future. While it would be correct to say that 1960 was a highly prosperous year when compared with many years in the past, it was a slow start in the "Soaring 60's".

Even with the adverse conditions Southern Life made gratifying progress in present service and future benefits for policyholders. We are grateful for the confidence of our policyholders in buying ever increasing amounts of insurance with Southern Life. We are pleased that the Company is in even better condition to pay 4% on proceeds of policies left on deposit with the Company. This 4% interest, Southern Life's premium rate, and high cash values are among the reasons why many more people are turning to Southern Life for the protection of the financial security of their families.

Another reason for the growth of the Company is the ability and effort of the Southern Life employees. Throughout the years our personnel strive to improve their capacity by study of ne ideas and by attendance at valuabl meetings and conferences. The high cal ber of these men and women increase their ability to serve our policyholder Through continuous training and a dee feeling of a calling to the professio Southern Life's representatives rend valuable service to their friends, neigh bors, policyholders and clients. Souther Life's career life underwriters have a opportunity to use their time and tale in the service of others—to provide n just dollars but food, clothing and she ter. And at the same time, Souther Life's career men have pride in persona achievement, prestige in service, amp income as a reward for their efforts.

We look forward to 1961 with opt mism and believe the year should be good one indeed as Southern Life Insu ance men go about their business of pr viding increased protection for th American people.

BACHE & CO.

—Continued from page 22—

ticipates in underwriting and distribu ing new issues to the public, as well a in distributions of unusually large orde of established companies, is steadil gaining importance.

Other major departments include a Investment Company Department whic handles Mutual Funds and the recentl added pay-as-you-go accounts; an In vestment Supervisory Department provide continuous supervision of client portfolios in the light of changin market conditions, and a modern-day A vertising Department to enable the fir to operate like any well-run mercanti establishment in its contact with th public. Eighty-two years ago, all th would have been incredible. Then don inant stock traders were the famou financial titans, and the accounts tha loomed large included those of John Rockefeller, Sr., E. H. Harriman and Ja Gould. With the turn of the centur however, interest in securities broaden extensively and the era of large mark operators approached its end.

From the hands of a relatively sma group of giant traders, the securiti business spread gradually to people more modest means. As early as th stock boom of 1906-07, Bache & C bought and sold as many as 200,0 shares in a single day. In more rece years, securities transactions have som times exceed half a million shares a da The accounts carried by the firm no number some 75,000.

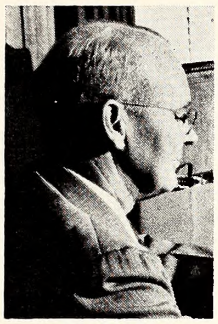
Far from discouraging small account Bache & Co. has been more and mo active in encouraging just this type business. Exhibits at rural fairs, nig time fashion shows for women, inves ment "schools", either sponsored or aid

—Continued on page 47—

PILOT LIFE'S HISTORY GOES BACK 57 YEARS

Observers can see a remarkable change rom Old Confederacy to New South vhen they trace the threads of firms like Pilot Life—a fifty seven year old North Carolina institution.

Those threads reach back to the village f Greensboro in 903 when the Pilot ntered the life in- urance field. Forty- ne year old A. W. McAlister became nanager of the new enture the year the Wright brothers pened the air age t Kitty Hawk, and he year when men irst drove a gaso- ine buggy across the country from New York to San Francisco.



STAFFORD

On the first day of business—July 1, 903—the Company sold seven policies alued at $16,500. By the end of the nonth the total was $39,500. At the year's end the company had 117 policyholders and $243,180 of life insurance in force.

From the beginning the policy of selecting risks carefully proved immensely successful. For 14 months there were no death claims. The first claim came on September 24, 1904 when William Thomas Ellis of Ore Hill, North Carolina, was killed in a train wreck near New Market, Tennessee. The first claim based on a death by natural causes —appendicitis—was made on September 21, 1906.

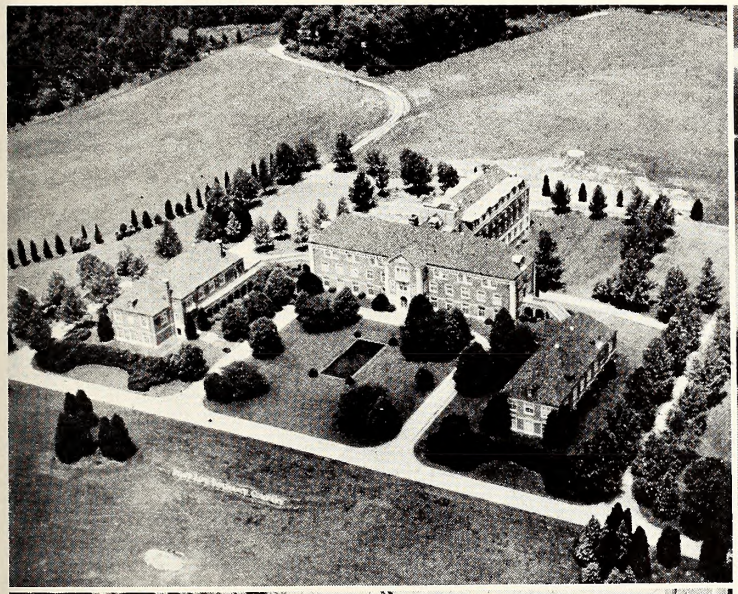
When the company entered the life insurance business in 1903, it had $200,000 in assets and large dreams about selling southerners on the merits of southern insurance. In 1931, the company had 13.6 million dollars in assets and 86.3 million dollars insurance in force.

The growth of the company was rapid and it soon outgrew three home office buildings. The move to rural Sedgefield—eight miles from Greensboro on U. S. Highway No. 70-A—is an example of Pilot Life's cautious daring and abrupt departure from the accepted idea of downtown business locations.

The $800,000 Pilot plant at Sedgefield was anything but another building. It was a well-designed, handsomely built reproduction of Tyron Palace at New Bern, North Carolina. Surrounded by 140 acres of landscaped grounds, it soon became a North Carolina landmark.

The new plant at Sedgefield was completed in 1928. Since it was built with an eye to the future, the employees—110 at that time—rattled about in the huge three-winged building like so many seeds in a gourd. In 1952 the company moved into a five-story addition to the Sedgefield plant, and now another six-story addition will be ready for occupancy in the spring of 1962.

Pilot Life grew big during the 1920's. The company was not hurt by the stock market crash, nor the over-all effect of the depression years. Insurance in force increased from $53 million in 1920 to



Top, Pilot Life Insurance Company's Home Offices. Right, Interior Offices. Pilot Life Insurance Company. Bottom, Campus-like atmosphere of Pilot Life.

Right, Company wagons provide free transportation to Greensboro and High Point.

$103 million in 1929. The company never failed to pay a dividend and it regularly increased its assets from year to year.

From 1929 to 1945 assets increased to $35.4 million and insurance in force reached $276 million. In July, 1945, Pilot and Gate City Life Insurance Company of Greensboro were merged. An important result of this merger came in the form of management. Ogburn Fletcher Stafford, 42-year old President of Gate City, became president of Pilot Life.

Stafford was born in Spencer, North Carolina in 1903, the year Pilot was founded. His father, who worked in Spencer's railway shops, died when the boy was 5 years old. At 17, Stafford joined Gate City as an agent—becoming its president at 35.

In 1945 the company had $44.7 million in assets and just under $300 million insurance in force. Today Pilot's assets have reached the $200 million mark and the company has over $1,750,000,000 million insurance in force. It has paid to living policyholders and beneficiaries more than $200 million in benefits.

Since 1945, when Pilot entered the group insurance field, the company has made great strides in providing group hospitalization, surgery, major medical, life and scholastic accident insurance policies. Some of the groups protected by Pilot contain 10 persons, while other with one policy may cover more than 25,000 persons.

Pilot pioneered blanket scholastic accident insurance for students and teachers after a prominent superintendent of schools asked for coverage that would protect youngsters against accidents from the time they left home for school until they returned to their homes in the afternoon. Pilot had the answer. Today over 2,000,000 students and teachers are protected in this manner. This type of coverage began in 1948.

In 1952 Pilot entered the credit insurance field. This coverage is handled through firms dealing in consumer credit —banks, loan associations, retail associations, etc. The progress already made in this field indicates that it is one of the fastest growing departments within the company.

Today the Pilot Life Insurance Company offers protection to more than 3 million people. It has a trained field force of more than 1,500 men and a home office staff of 550 people. These career life underwriters now service the public with all forms of life, group and health insurance plans. The company operates in 18 states, District of Columbia, Puerto Rico and the Virgin Islands.

Pilot's investments are conservative but productive. Few can match its earning record (4.67% in 1930). Pilot is one of the few major companies paying 4 per cent interest on money left on deposit with the company.

Today something like $60 mililon flow into Pilot's offices at Sedgefield every year. This money—about $5 million monthly—is invested largely in the economy of the South.

Stafford is confident that Pilot's growth, expansion of benefits, and contribution to the economic programs of the communities in which they operate will continue. Pilot is grateful to its many friends who in one manner or another, have had a part in its successful growth and expansion through the Company's first 57 years.

STATE CAPITAL LIFE

—Continued from page 35—

Street—and the fire and casualty company has its principal office in the home office building of the parent Company. In the diagram above, showing how funds are invested, the item of stocks is compromised almost entirely of the stock of these two subsidiary companies.

From the very beginning the story of State Capital Life has been one of success. The assets as of December 31, 1960, reached $28,339,158 and the capital and surplus amounted to $4,983,063.

Members of the Board of Directors and Officers are confident of the continued growth and success of the Company and are proud to be a part of a financial institution serving the need of an industrious and optimistic people. The names of the Members of Board and Officers are as follows:

Directors

E. H. Evans, Chairman of the Board, Laurinburg, N. C.; T. W. Alexander, Raleigh; Wm. P. Baskin, Bishopville, S. C.; John C. Bertram, Raleigh; Raymond A. Bryan, Goldsboro; H. W. Clody, Raleigh; Wade S. Dunbar, Laurinburg; J. P. Gibbons, Hamlet; Dr. H. B. Haywood, Raleigh; J. E. Johnson, Lumberton; H. M. Jones, Laurinburg; H. F. Ledford, Raleigh; R. H. Livermore, Pembroke; Edwin Pate, Laurinburg; Joe H. Robinson, Charlotte; Dr. Julian H. Scarborough, Columbia; W. E. Simmons, Raleigh; John P. Stedman, Lumberton; Wm. C. Stokes, Reidsville; Graham F. Trott, Raleigh; Philip R. Whitley, Wendell; Frank S. Wilkinson, Rocky Mount; and J. Wallace Winborne, Raleigh.

Officers

H. F. Ledford, President; W. E. Simmons, Vice-Pres., Agency Mgr.; T. W. Alexander, Vice-Pres., Secy.-Treas.; Graham F. Trott, Vice-Pres., Bank Loan Dept.; Harry W. Clody, Vice-Pres., Group Dept.; J. C. Bertram, F.S.A., Vice-Pres. & Actuary; Edwin C. Rochelle, Vice-Pres., Mtge. Loan Dept.; C. R. Darling, C.L.U., Vice-Pres., Dir. of Trg.; D. C. Stephenson, Vice-President; Dr. H. B. Haywood, Medical Director; Arch T. Allen, General Counsel; F. E. Skipper, Assistant Treasurer; Robert M. Peatross, Assistant Secretary; H. C. Jones, Assistant Secretary; R. C. Straughan, Assistant Secretary; A. B. Partin, Assistant Secretary, and J. T. Kernodle, Group Secretary.

HOME SECURITY LIFE

—Continued from page 33—

From this building, already a lan mark on the Durham horizon, all th activities of the company's 500 agen are supervised and controlled by Hom Security's executive and home offic force numbering more than 130.

Home Security Life has a new pres dent, Watts Hill, Jr. At 34, he symbo izes the young and aggressive leadershi that the company is counting on for fu ture growth.

Hill is the third generation of his fan ily to be associated with Home Securit Life. His grandfather, John Sprunt Hil was one of the three founders of th company, along with A. M. Moize an E. N. Moize.

His father, George Watts Hill, th present Chairman of the Board, too over the company's presidency at a sim lar age.

Hill, Jr. succeeded Bascom Bayne as president of the company in January Baynes had been president for 22 years

Home Security Life had $16 millio insurance in force when Baynes joine the company. Under his direction th company grew to $325 million insuranc in force and more than 630 employee

Probably the greatest era of growt for Home Security Life has been th twenty years since the start of Worl War II. During this period the compan has increased its insurance in force nea ly seven fold.

Home Security Life's 1960 Annual Re port gave further indication of this con tinuing growth pattern. In addition t the aforementioned $325 million insu ance in force, the company assets ros last year to $42.5 million with majo investments in mortgage loans of mor than $16.9 million; in government bond of more than $4.2 million; and in com mon stocks, preferred stocks and corp orate bonds of more than $14.6 millio

Payments to policyholders and bene ficiaries amounted to $3.2 million, mak ing a total paid to policyholders sinc the company's organization of $32 mi lion.

Total income for Home Security Lif in 1960 was more than $10.2 millio with capital and surplus funds standin at $5 million. A dividend of 5% for th year was paid on capital of $2 millio

Today, Home Security Life offers complete range of life insurance protec tion including ordinary life, weekl premiums, accident and hospitalizatio all forms of group insurance and credi life insurance.

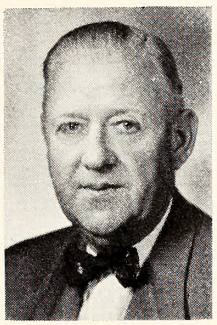
While other insurance companies hav spread their activities over many states Home Security Life has concentrated it efforts towards service to the people o North Carolina, and in the past decade of South Carolina.

And, today, the aim of the Home Se curity Life Insurance Company remain the same as its founders' original sloga —"Make Your Home Secure with Hom Security".

SECURITY LIFE BEGAN "GROWTH" DAY IT OPENED

Security Life and Trust Company began its first day as a "growth" organization. Licensed on March 22, 1920, its first application for insurance was written on the same day.

President G. A. Grimsley, with over twenty years of successful life insurance experience behind him, was an able administrative executive. Vice-President C. C. Taylor, an outstanding sales executive and the Company's first Agency Manager, aggressively developed the new sales force. The result was that during the first ninety-eight days of the Company's existence, a record production was set for a new insurance company up to that time.



BLAIR

In 1924, through the leadership of Robert M. Hanes, North Carolina's outstanding citizen and a member of Security Life and Trust Company's first Board of Directors, the four-year-old company was moved from Greensboro to Winston-Salem, North Carolina. This move was a significant step for the fledgling organization, which involved more than a simple change in location. New capital was invested in the Company, and much prestige and influence added when leading businessmen of Winston-Salem became members of the Board of Directors.

Two young men who were destined to play a big part in the progress of the Company joined Security in clerical capacities. Harry W. Lewis, now a Senior Vice-President, joined the Company in 1924. R. Grady Wilmoth, a Senior Vice-President, joined the Company in 1925.

As the Company expanded, the need for technical actuarial assistance brought Sam L. Booke, a Fellow of both the Actuarial Society of America and the American Institute of Actuaries, to the Company in January, 1929, as Secretary and Actuary. He is now Executive Vice-President.

The Great Depression of 1929 loomed darkly. Requests flowed in for surrender values and loan values of policies at an unprecedented rate. The Company met every request promptly without borrowing or selling stocks. Though the nation was being shaken to its roots by the harsh effects of the depression, Security Life and Trust Company kept faith and kept building.

Dr. Fred M. Hanes, Vice-President and Medical Director, was elected President in 1932, and that year the organization gained another valuable asset when Tully D. Blair, a long experienced agency executive of Greensboro, joined Security Life and Trust Company as Vice-President and Agency Manager.

At the annual meeting in 1932, it was reported that new paid for business increased 37 per cent, and in 1933 the annual report showed an increase of 48 per cent in the number of agents and associates.

Egbert L. Davis, Sr., an outstanding sales executive of a large company and a man prominent in Winston-Salem business circles, was elected Vice-President of the Company in 1933. Dr. Fred M. Hanes was drafted by Duke University to head up its Medical School in 1935, and Egbert L. Davis, Sr., succeeded him as President.

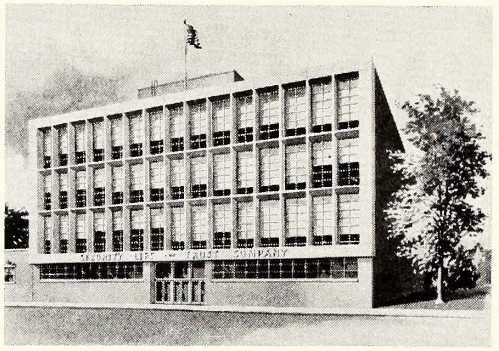
In 1933, W. Grady Southern, senior executive of a prominent Southern company, came to Security Life and Trust Company and established the Home Protection Department. Mr. Southern originated the unique Home Protection plan upon which the activity of this department is based. The Company added to its development and expansion in 1934 by the establishment of a Group Insurance Department.

The year 1945 marked the Company's Silver Anniversary and its emergence from the small company class. Assets were over 14 million dollars and its insurance in force 109 million dollars, an outstanding achievement for a 25-year-old company.

World War II brought its problems and its heartaches. Over 25 per cent of the field force and Home Office personnel entered the armed forces. Despite the difficulties of the war years and its depleted staff, the Company was able to maintain its position and to plan a future of even brighter growth.

Tully D. Blair, Vice-President and Agency Manager, was elected President

—See Security Life, page 47—



Security Life and Trust Company's present Home Office stands as a landmark of greater Winston-Salem.

Security Life and Trust Company President, Tully D. Blair, right, discusses plans for new seven-story Home Office addition with Executive Vice-President Sam L. Booke.

Security Life and Trust Company officers, Ruggles Baker, R. G. Blair, Harold Southern, and Harry Lewis, congratulate President Tully D. Blair on the record volume of business produced in his honor during a sales campaign in April of 1959. The flood of new business during this campaign month pushed Security's insurance in force over the one billion dollar mark, truly identifying this North Carolina institution as a member of the big company class.

DURHAM LIFE'S IMPOSING HISTORY BEGAN IN 190

More than half a century ago in Durham, North Carolina, a small group of men procured a charter as an industrial insurance company selling insurance to the masses. With very limited resources, these men began building the organization that is now the Durham Life Insurance Company.

On January 1, 1907, the Company opened its doors for business. The original operation, under the name of Durham Mutual Protective Association, was confined to the City of Durham and nearby communities. The officers of the Company were its only agents, and they had only one plan of insurance to offer.

COLEY

In March, 1912, the name was changed to Durham Mutual Life Insurance Company, Great progress was achieved during this period. Insurance in force increased from $94,137 in 1910 to $500,000 by 1912. The Company purchased the building that was later occupied by the Durham Morning Herald and that was its Home Office until 1920.

December, 1913, was the date of the incorporation of the Durham Life Insurance Company. First officers were: A. M. Moise, President; C. B. Hall, Vice President; S. B. Coley, Secretary; and J. R. Weatherspoon, Treasurer.

During this period the Company acquired the Durham Mutual Life Insurance Company through merger and also purchased the Catawba Mutual Life Insurance Company of Hickory, North Carolina.

The Charlotte district was established this year.

Insurance in force was $958,528, all on the industrial basis.

1914—The Company purchased the Dixie Mutual Life Insurance Company, and expanded into many cities of North Carolina.

The first office in South Carolina was opened during 1918 at Spartanburg. In 1920 the Home Office was moved to Raleigh, occupying space in the Montague Building. Insurance in force had grown to more than seven million dollars, and by the end of 1920 the figure was nine and a quarter million.

1927—The Company purchased WPTF Radio Station in Raleigh. one of the oldest radio stations in the United States. Since its first broadcast on September 22, 1924, it has grown from a small 50-watt operation to a powerful clear channel station with a 50,000 watt transmitter. It serves all of eastern North Carolina, a good portion of South Carolina, and southern Virginia. It is operated as a subsidiary of the Durham Life Insurance Company.

At this time, the old Pullen Building at the corner of Fayetteville and Davie Streets in Raleigh was purchased and the Home Office moved to that building. It was planned that a new building would be built on the site at some future date.

1930—The Company purchased the Business Men's Life of Greensboro.

1937—First office was opened in Virginia, at Danville.

A dream materialized with the completion of the Insurance Building in 1942 on the Home Office site. This building, tallest in the State's Capital, rises fifteen stories above the Fayetteville Street ground level, plus two additional stories for elevators and equipment. Basements extend two and one-half stories below ground level. Rentable space totals 160,528 square feet, a good portion of whic is occupied by the Company.

1955—First offices opened in Georgia at Macon, Savannah, Augusta. Office were later opened in the Atlanta area.

By the end of 1960 the Company wa operating through 30 district offices giving full time employment to mor than 750. The Company now offers man different plans of life insurance to mee the changing financial needs of our cit izens. Insurance in force is now mor than $415 million, and assets total mor than $80 million. Since its organizatio more than $54 million have been paid t policyholders and their beneficiaries.

In closing the recent annual meeting o stockholders in Raleigh, President Harol D. Coley said, "We have a strong faitl in the future of America and in the es

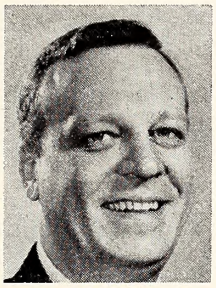
—See Durham Life, page 58—

Home Office of Durham Life, Raleigh.

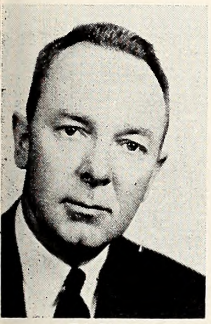
Hospital Savings Was Depression Born

By Joe Nagelschmidt, *Director*
Public Relations and Advertising, Hospital Saving Association

In the depths of the Great Depression of the early '30's, the average annual income of school teachers in North Carolina was $600. Fewer than eight thousand Tarheels paid federal income tax. Average non-farm income was about $450, half the national average.


NAGELSCHMIDT

This was the background of economic distress suffered by North Carolinians when a letter arrived on the desk of Dr. I. H. Manning, Dean of the School of Medicine of the University of North Carolina. It was signed by Dr. John F. Brownsberger, president of the Asheville Hospital Association, and it stated that his group had been studying for many months the possibility of a "group hospital insurance plan for this section."


EAGLES

At that time, neither of the doctors would dare imagine that he was assisting in the birth of a humanitarian organization that —a quarter of a century later — would provide protection in hospital and medical bills to some 550,000 North Carolinians and pay for services totalling over $126 billion.

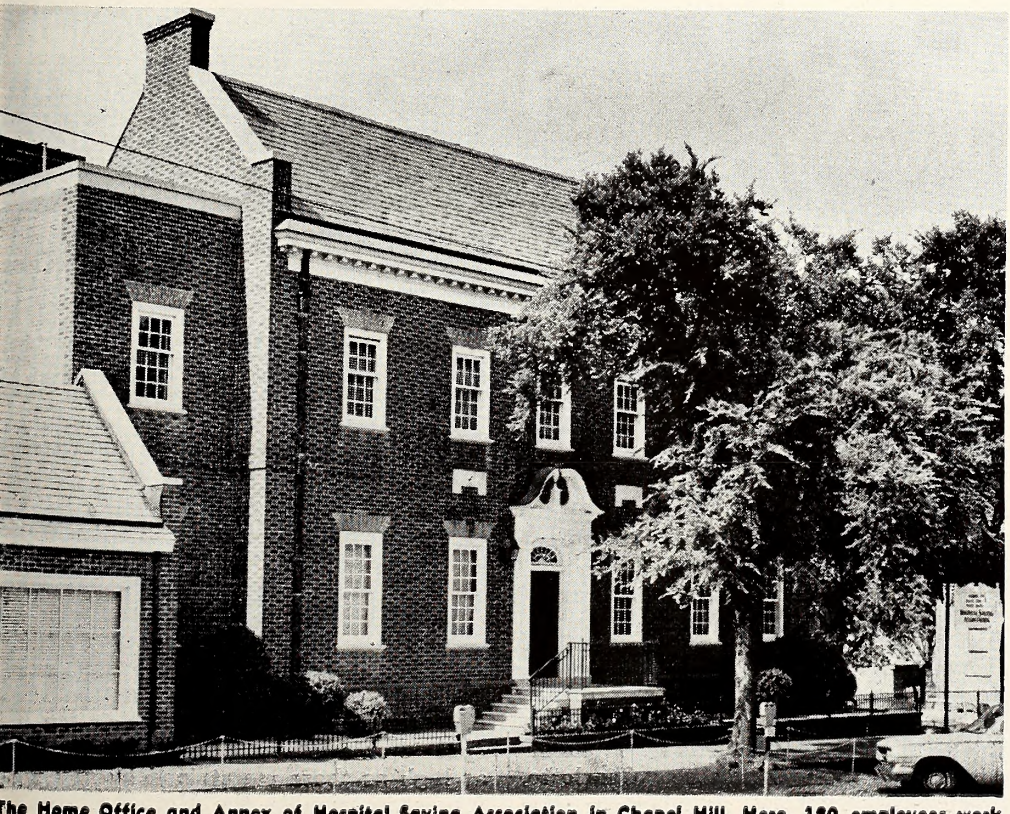
CRAWFORD

In 1935, the hospital section of the Duke Endowment was sufficiently impressed by this unusual idea to award it an outright grant of $25,000. Its representative, Graham L. Davis, and Dr. Manning went to England and France to study health insurance Plans.

The fruit of this research was Hospital Saving Association of North Carolina, Inc., which was chartered as a nonprofit, prepayment hospitalization plan on March 11, 1935. By December, 1935, the Association was truly in business, for it had sold hospitalization coverage to its first group of employed persons.

In those days, the sales force consisted almost exclusively of women, who aggressively—and with an idealistic zeal that was to become contagious—sought out business in every nook and cranny of Tarheelia. A year later, they could take pride in a membership of 17,484 persons in 401 employee groups, in 35 counties. Hospital claims paid that year totaled $17,886.39. In 1950, Hospital Saving reported a record-breaking high of over

—See Hospital Savings, page 44—


The Home Office and Annex of Hospital Saving Association in Chapel Hill. Here, 180 employees work in 26,000 square feet of modern office space.

Bankers Fire and Casualty Is Proud of its Growth

The story of Bankers Fire & Casualty Insurance Company (nee Bankers Fire Insurance Company) of Durham is unique in that it is the story of a Negro effort in the field of casualty underwriting. The company was chartered by the State of North Carolina in 1920 and began business in February, 1921. Organizers were men connected with the North Carolina Mutual Life Insurance Company of Durham and with banks operated by Negroes in this State and Virginia. A small outfit with limited capital, the policy of the corporation has been to conduct a conservative, solid and dependable enterprise —emulating at all times the best practices of the best companies in the industry.

HARRIS

In its forty years of operation, the company has paid over $2 million in losses, $1 million in agents' compensation and about $125,000 in cash dividends.

As of December 31, 1960, the company, with excellent reinsurance facilities, operated in the States of North Carolina, Virginia and the District of Columbia through the offices of thirty-five agents. It had Assets of $380,087.12, Current Liabilities of $59,383,02 and Policyholders' Surplus of $320,704.10.

Officers of the company are W. J. Kennedy, Jr., President; J. C. Scarborough, Sr. and W. T. Mason, Vice Presidents; W. J. Kennedy, III, Treasurer and J. J. Henderson and Wm. Jay Walker, Jr., Assistant Secretaries.

Active management of the company has been in the hands of Rencher Harris, Vice President-Secretary, since 1935, who in 1953 became the first member of his race to be elected to the Durham City Council and in 1958 was unanimously elected by the City Council as a member of the Durham City Board of Education.

JEFFERSON STANDARD

—Continued from page 34—

This was the Company's highest rate of earnings in 30 years.

Because of its outstanding investment record, Jefferson Standard—now guaranteeing 2½ per cent on policies currently issued—has never paid less than 4 per cent interest on policy proceeds and dividend accumulations left on deposit with the Company to provide income. This 4 per cent interest rate is the highest paid by any life insurance company in the United States.

HOSPITAL SAVINGS

—Continued from page 43—

$16 million in payments for the many services it handled.

But twenty-six years ago, as is true today, having an office and selling benefits were not enough. Hospitals had to agree to provide services to the subscribers; to this end, 22 hospitals signed contracts of agreement with the Association, and 12 county medical societies provided more impetus by endorsing the fledgling prepayment plan. Today, the Association has contract agreements with all approved N. C. hospitals.

In the context of today's highly developed network of hospitals that provide excellent care with drugs and equipment that were unheard of a few decades ago, the hospital benefits provided by the new plan were small indeed. So was the cost of this protection—"only a few pennies a day."

Although the Depression abated somewhat, North Carolina still was too poor to build a sufficient number of well-equipped hospitals, and there were not enough doctors. So, a far-reaching campaign, known as the "Better Health Program," was undertaken by some of the state's foremost citizens. Its three-pronged goal was to build more hospitals, obtain more doctors, and sell more hospital prepayment, such as that offered by Hospital Saving.

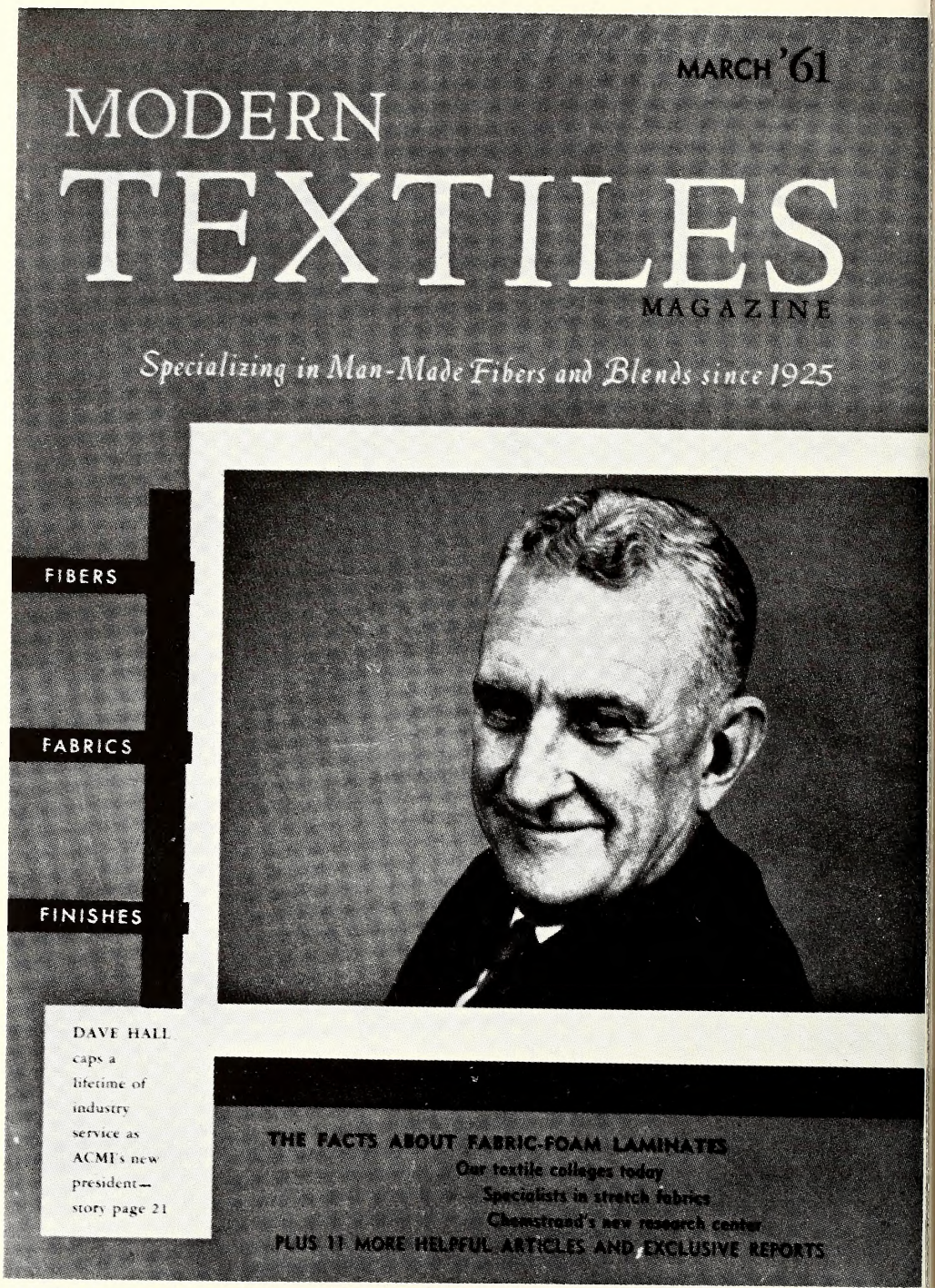
Earlier, the American Hospital Association had formed a commission to implement the standardization of the nation's prepayment plans. This is how the famous "Blue Cross" originated. Eventually, Blue Cross was to provide hospital protection to 58 million persons. Later, a Blue Shield was adopted as the symbol of non-profit prepaid medical benefits. Hospital Saving Association has long been the official Blue Cross and Blue Shield Plan of North Carolina. The symbols carry with them endorsement of the North Carolina Hospital Association and the North Carolina Medical Society.

Blue Cross and Blue Shield joined with the Better Health Program in its successful efforts. By the early '50's, North Carolina could boast of more new hospital-bed construction in the previous decade than any other state in the Union. Fortunately, there were plenty of medical men who were moved to live and practice in North Carolina. Enrollment in Hospital Saving rose from 137,000 in 1940 to 432,000 in 1950.

Of course, the business of the Plan is to pay hospital, surgical, and medical, and "catastrophic" claims for its subscribers. Obviously, because good treatment for accidents and illness is expensive, the cost of getting well is high and it is going up every year.

This is where the appeal of the "service principle" enters, for Blue Cross puts no dollar ceiling on its hospitalization benefits. Most subscriber-patients receive comprehensive benefits for hospital "extras"—ancillaries like x-ray, laboratory, drugs—with no limit. The service principal was originated by Blue Cross, and is still unique. Certainly it has been chiefly responsible for Hospital Saving's phenomenal climb to its present stature. Hospital Saving is 100% North Carolina, financed and managed by North Carolinians for North Carolinians. It maintains offices in Asheville, Charlotte, Greensboro, Hickory, Lumberton, Raleigh, Wilmington, Wilson, and Winston-Salem. Its representatives live and work out of numerous other cities. The Association employees about 280 persons, and its home office in Chapel Hill is a model of modern efficiency. For example, it recently installed a giant complex of electronic equipment known as the IBM 650, which enables the Association to operate on a level of speed and efficiency as high as those maintained by any major corporation in the United States.

—See Hospital Savings, page 58—



ABOVE IS THE MARCH COVER of MODERN TEXTILES Magazine which features an article and pictures of R. DAVE HALL, Employment Security Commissioner, and leading textile executive, who has been elected President of the American Cotton Manufacturers Institute. Says the MODERN TEXTILES magazine, ". . . to be president of the ACMI is a strenuous, life-absorbing assignment. In a very real sense the ACMI's president is the textile industry's chosen chief delegate and ambassador to the American business community, to the federal government in Washington, and beyond these, to the whole vast world outside the boundaries of textiles. To take on the assignment means 12 crowded months of travel, meetings, speech making, and perhaps testifying on behalf of American textiles before committees of Congress. To be ACMI's head man means largely sacrificing one's attention to one's own business, seeing little of one's family, and enduring the hardships of many nights away from home, and many hours of travel."

We of the ESC who know Mr. Hall have often marvelled at his youthful vigor and vitality. We are quite proud of, though not surprise at, his election to the Presidency of the American Cotton Manufacturers Institute.

WINSTON MUTUAL LIFE INSURANCE COMPANY

By Geneva Cook Hill

The Winston Mutual Life Insurance Company of Winston-Salem, North Carolina is A Legal Reserve Mutual Insurance Company with Assets of $3,723,-452.16. Its Home Office is located on the Corner of Eleventh Street and Woodland Avenue and is constructed of brick, concrete, and steel. The building is air-conditioned and is equipped with an intercom system. The Company is licensed to do business in the State of North Carolina only. It was licensed as a Mutual Assessment Company and the general authority as provided by its charter is "to establish and carry on a Mutual Insurance Business for the purpose of making provisions for the payment of benefits in case of death, sickness, temporary or permanent disability, either as a result of disease, accident or old age, and is organized for the sole benefit of its members and their beneficiaries." However, with the increase in the kinds of policies which the Company has put on the market, its general authority has been expanded to include such things as Hospitalization, Estate Building, Retirement Income and Educational Funds for minor children.

HILL

The business of the Company is managed by a Board of Directors elected annually at the regular meeting of the policyholders. Out of this group the officers are elected and they, in turn, select or appoint an Executive Committee which acts as the Governing Board when the directors are not in session.

President and Chairman of the Board of Directors is Edward E. Hill, a graduate of Howard University in Washington, D. C. with a degree in Business Administration and Education. Mr. Hill was teacher and principal in the Forsyth County School System for twenty-one years. He served the Company, first, as agent, then as secretary, and in 1954 was elected president to succeed his father, the late G. W. Hill.

The Winston Mutual has experienced incessant growth and is considered one of the most stable companies in its business.

Policy Contracts

1) Whole Life
2) 10-Year Payment Life
3) 15-Year Payment Life
4) 20 Year Payment Life
5) 25 Year Payment Life
6) Paid-Up Life At Age 65
7) 15 Year Endowment
8) 20 Year Endowment
9) 25 Year Endowment
10) Endowment At Age 60
11) Endowment At Age 65
12) Ten Year Term
13) Whole Family Plan
14) Educational Endowment At Age 17 (Juvenile)

1. Charlotte Branch Office of Winstan Mutual Life Insurance Co. is modern, air-conditioned and spacious. 2. Branch Office—Greensboro—Left to Right; Mrs. Juanita Douglas, clerk; K. H. Bennett, agent; Mrs. Dorothy Gales, agent; Mrs. B. W. Shoffner, clerk; Attorney J. L. Lassiter, Manager; Mrs. Elizabeth Smith, agent; and R. H. Maare, special representative. 3. Home Office Building. 4. Branch Office of Racky Mount is modern and air-conditioned.

15) Educational Endowment At Age 18 (Juvenile)

16) Educational Endowment At Age 19 (Juvenile)

17) Educational Endowment At Age 20 (Juvenile)

18) 20 Year Payment Life (Juvenile)

19) Whole Life (Juvenile)

The Ten Year Term Policy may be converted, within a limited time, to a Whole Life, Limited Payment Life, or Endowment Policy for an amount not greater than the original face value, without evidence of insurability.

The Preferred Ordinary Life Policy is issued at a reduced premium rate when the face amount is $2,500.00 or more. This allows for volume savings on each policy issued.

The Whole Family Protection Policy provides permanent insurance on the parents and Term Insurance on dependent children up to a specified age. This is the Package Plan of insurance and is highly recommended for families. In this Plan there is only ONE Policy, ONE Premium.

A total and permanent disability benefit providing for the waiver of future premiums in the event of total and permanent disability of the insured before attaining age 60 may be issued in connection with all forms of ordinary adult policies, except single premium policies. This benefit enables the insured to continue his policy in force during the time he is totally and permanently disabled.

A waiver of premium benefit in event of death of the original beneficiary is offered in connection with all Juvenile Policies. If the waiver of premium is included and the original beneficiary, who is also the premium payor, should die, no further premiums would have to be paid, and upon maturity of the policy, the child would receive the face value of said policy according to the contract.

Monthly Debit Ordinary Insurance is the same as Regular Insurance except that the premiums are paid on the

—See Winston Mutual, page 60—

1. Winston Mutual Life Insurance Co. Home Office. Printing Department showing several of the machines used. W. M. Hairston, Director. (2) IBM Department Left to Right: C. L. Hill, Director; Mrs. Myrtle Stepp; Leander Hill; Mrs. Janet W. Warren, Operator. (3) Mrs. Etta T. Hill and A. W. McKnight are shown working in the Underwriting Department. (4) Home Office—A portion of Mortgage Loan Dept. Mrs. Dorothy H. Miller, clerk, is shown receiving a payment from the Reverend L. W. Moyer of Leaksville. (5) Home Office Agency Accounts Department Mrs. Tereatha P. Harper and Mrs. Alberta R. Wilkins. (6) C. E. Graves, accountant and Mrs. Louise B. Simmons, home office secretary, confer in Mr. Graves' office. (7) Home Office, Investment Department, Attorney W. Avery Jones, Director and Mrs. Christine G. Wilson, Secretary. (8) Mrs. Nellie M. Bausman, treasurer and Mr. A. W. McKnight, agency secretary, are shown receiving their service pins for 40 years and 20 years continuous service, respectively. President Hill is making the awards at a company banquet. (9) Home Office, Reception Hall. Mrs. Mamie E. Crews, receptionist and Dr. E. S. Wright, Medical Director, are shown.

Chief Official and N. C. Domestic Life Ins. Companies

John R. Knott, American Guaranty Life Ins. Co., Fayetteville
Charles K. Ballard, Builders Life Ins. Co., Charlotte
Raymond K. Mason, Carolina Home Life Ins. Co., Burlington
J. E. Burnside, Sr., Carolina Central Life Ins. Co., Charlotte
George H. Talbot, Jr., Charlotte Liberty Mutual Ins. Co., Charlotte
W. W. Shaw, Coastal Plain Life Ins. Co., Rocky Mount
H. D. Coley, Durham Life Ins. Co., Raleigh
S. Eugene Wilson, Gateway Life Ins. Co., Rocky Mount
W. I. Anderson, Greensboro National Life Ins. Co., Greensboro
Watts Hill, Jr., Home Security Life Ins. Co., Durham
Howard Holderness, Jefferson Standard Life Ins. Co., Greensboro
Thomas F. Hewitt, Life Ins. Co. of North Carolina, Kinston
E. W. Stalvey, National Trust Life Ins. Co., Raleigh
A. T. Spaulding, N. C. Mutual Life Ins. Co., Durham
W. H. Trentman, Occidental Life Ins. Co., Raleigh
O. F. Stafford, Pilot Life Ins. Co., Greensboro
T. D. Blair, Security Life & Trust Co., Winston-Salem
J A. Law, Pyramid Life Ins. Co., Charlotte
Floyd A. Russell, Sr., Sir Walter Raleigh Life Ins. Co., Charlotte
W. L. Carter, Southern Life Ins. Co., Greensboro
H. F. Ledford, State Capital Life Ins. Co., Raleigh
Larry P. Eagles, State Life & Health Ins. Co., Tarboro
W. K. Sturdivant, Sr., Sturdivant Life Ins. Co., North Wilkesboro
W. Griswold Smith, Twentieth Century Life Ins. Co., Greensboro
E. E. Hill, Winston Mutual Life Ins. Co., Winston-Salem

DOMESTIC HOSPITAL CARE ASSOCIATIONS

B. R. Roberts, Hospital Care Association, Inc., Durham
J. C. Eagles, Jr., Hospital Savings Association of N. C., Chapel Hill

DOMESTIC FIRE AND CASUALTY COMPANIES

Gerard De T. Worthington, Accident Indemnity Ins. Co., Greensboro
E. W. Shackelford, American Guaranty Ins. Co., Fayetteville
Jack W. Franks, American & Southern Ins. Co., Greensboro
W. J. Kennedy, Jr., Bankers Fire & Casualty Ins. Co., Durham
F. H. Sikes, Beacon Fire Ins. Co., Shelby
John M. Belk, Belk Stores Ins. Reciprocal, Charlotte
Raymond K. Mason, Carolina Casualty Ins. Co., Burlington
C. W. Bailey, Confederate Accident & Health Ins. Co., Rocky Mount
Arthur R. Craig, Hardware Mutual Ins. Co. of the Carolinas, Inc., Charlotte
Walter B. Clark, Mid-South Insurance Co., Fayetteville
Carlysle A. Bethel, New South Ins. Co., Winston-Salem
A. C. Edwards, N. C. Farm Bureau Mutual Ins. Co., Raleigh
Paul W. Vogel, Security Fire & Indemnity Co., Charlotte
J. C. Scarborough, Jr., Southern Fidelity Mutual Ins. Co., Durham
H. F. Ledford, State Capital Ins. Co., Raleigh
Larry P. Eagles, State Hospital Ins. Association, Inc., Tarboro
James G. Cage, Textile Ins. Co., High Point
E. W. Shackelford, Twin States Ins. Co., Charlotte

SECURITY LIFE

—Continued from page 41—

of the Company in 1949, succeeding Egbert L. Davis, who became Chairman of the Board.

Plans for a new home office building designed to fit the requirements of a burgeoning organization were initiated at this time.

In April, 1951, the Company moved into its new building. The modern structure presented a sharp contrast to the Company's four previous "temporary homes." It was planned to enable Security Life and Trust Company to render more satisfactory and efficient service to its ever-increasing number of policyowners and their beneficiaries. Working conditions are ideal, and it is remarkable how fast the extra room provided for additional expansion has been used.

Security Life and Trust Company is now planning a building and expansion program that will cost an estimated $1,300,000. The addition will tower two floors above the present building. The addition will exceed the area of the present building by 20,000 square feet.

There are 220 employees presently housed in the Security building. The expanded building will accommodate approximately 500 employees.

W. Grady Southern was elected President in January, 1953, succeeding Tully D. Blair, who became Chairman of the Board.

In 1954 a merger was effected with Bankers Loan Life Insurance Company of Tallahassee, Florida, which had specialized in credit life insurance, to give added strength to Security's new and rapidly growing department of credit life.

President Grady Southern died in 1955, and Tully D. Blair formally assumed the executive duties of President.

Each year has produced another "best year yet" for Security Life and Trust Company. The acquisition in 1958 of Blue Ridge Insurance Company, Shelby, North Carolina, the largest general insurance company in North Carolina, expanded Security into the multiple line insurance field.

Dedicated men of Security Life and Trust Company's field force and Home Office staff most diligently pressed their efforts to that magic milestone—a Billion Dollars of Insurance in Force. It was an historic moment when President Blair was able to announce in the spring of 1959 that Security Life and Trust Company had reached that coveted goal —a Billion Dollar of Insurance in Force.

Another forward step was taken when Security Diversified Shares, Inc., an open-end balanced mutual fund, was organized in November of 1959.

The program of aggressive expansion continued with introduction of Security's Accident and Health Line in the fall of 1960.

Future changes in the products and services of Security Life and Trust Company, as in the past, will be dictated by the "trend-setting" practices and needs of our friends and policyowners.

BACHE & CO.

—Continued from page 38—

by Bache, have served to widen the knowledge and understanding of securities among the people of the country.

Bache & Co., in fact, maintains a Speakers Bureau to provide civic groups, fraternal organizations, schools and colleges with the services of a staff member to explain the principles of investments and help dispell prevailing fallacies about the operations of finance.

Services such as the foregoing are part of the long-range planning for which Harold Bache is directly responsible. Another aspect of this foresighted program is manifested by the Personnel Department which is charged with maintaining a staff of the proper calibre to carry on the Bache tradition. One method of fulfilling the difficult task of securing the right type of personnel is by recruiting potentially promising candidates from collegiate placement bureaus. Great emphasis is also given to a training program for newcomers as another means of continuing in the firm's high standards.

It is the conviction of Bache & Co. that the surest way to minimize the inevitable risks that must be assumed in investing in securities and commodities is to keep abreast of the facts. Accordingly, many years ago, Bache organized a Research and Statistical Department to provide the best facts available in place of rumors and hearsay, which has come to be a vital part of the daily Bache service schedule.

From the facts and figures developed by the Research Department, a particular company or industry is selected to go under the microscope at weekly meetings staged by the firm for its partners and employees to which outstanding leaders of the company or industry are invited. Out of such confabs come the latest facts, the advices of the people most intimately connected, and the best thinking of the partners of Bache & Co. on which to base a decision. These meetings form the keystone for periodic policy

—Continued on page 54—

NORTH CAROLINA LIFE INSURANCE PAYMENTS RISE

North Carolina Families received more than $57 million last year in death payments from their policies. This report comes from the Institute of Life Insurance in Charlotte.

The total amount of payments from 40,992 policies reached $57,307,000 during 1960 as compared with $52,204,000 in 1959 from 39,680 policies.

The Institute said death payments in North Carolina have increased 145 percent during the 10-year period from 1950 to 1960. The increase was reflected in the greater amount of life insurance carried by Tar Heels. Ownership of policies during the period increased 159 percent, the institute said.

N. C. ASSOCIATION OF INSURANCE AGENTS BROUGHT INTEGRITY

By S. G. Otstot
Executive Vice President

On October 27, 1898, 34 local independent insurance agents met in Raleigh to discuss plans for rendering to the people of their State professional insurance service. At the time of this meeting there was no regulation of any sort pertaining to companies or agents, and the insuring public was suffering from many bad practices by a small group of agents and companies. Out of this meeting was born the North Carolina Association of Insurance Agents. The 34 charter members named Alexander Webb, who still resides in Raleigh, as its first President.

OTSTOT

The first effort of this group was to establish an Insurance Department for North Carolina. Under their sponsorship a bill was introduced in the 1899 General Assembly to establish such a department. The legislation was passed and the General Assembly named Colonel James R. Young as the first Commissioner of Insurance. He was a local agent of Henderson, N. C.

Later a Code of Ethics was adopted by the organization to which its members subscribe. This code in part reads:

"I believe in the insurance business and its future, and that the American agent is the instrumentality through which it reaches its highest point and attains its widest distribution;

"I will do my part to uphold and upbuild the American Agency System which has developed insurance to its present fundamental place in the economic fabric of our nation, and to my fellow-members of the North Carolina Association of Insurance Agents, I pledge myself always to support right principles and oppose bad practices in the business.

"I believe that these three have their distinct right in our business: first, the Public; second, the Insurance Companies; and third, the Independent Insurance Agents; and that the rights of the Public are Paramount.

"I regard the insurance business as an honorable profession and realize that it affords me a distinct opportunity to serve society.

"I will strive to render the full measure of service that should be expected from a professional, intelligent, well informed insurance man. Anything short of this would be a violation of the trust imposed in me.

"I will thoroughly analyze the insurance needs of my clients and recommend the forms of indemnity best suited to these needs, faithfully advising as to the best insurance protection available.

"I will do my part to help bring the public to a better understanding of insurance, always so conducting my business that the fullest light of publicity can be turned upon it.

"I will consider it a duty to cooperate with the national, state and local authorities in the prevention of fire waste and accidents.

"I will take an active part in recognized civic, charitable and philanthropic movements which contribute to the public good of my community."

Through the years this organization has grown to over 700 independent agencies, employing more than 3000 persons. Our members are independent contractor and represent many Capital Stock Insurance Companies. The members of the Association have always sought to live up to the Code of Ethics of the founders.

The association office is located in Raleigh where it services requests for information for its membership. The association carries on an active fire, casualty, public relations and educational programs through the Association office in Raleigh, as well as aiding its local groups throughout the State in their individual programs. For years the association, through cooperation of officials of the University of North Carolina, has sponsored a one-week Institute of Insurance at the University, where persons wanting to start in the insurance business may take a beginners course and agents already licensed may take advanced courses.

The association also provides annually two $500.00 scholarships to two students majoring in fire and casualty insurance at the University of North Carolina, the students being selected by the University officials. Further educational programs are held in a series of meetings over the state each year in order that the members and their employees may be kept up to date on changes in the insurance field and thus be able to render the best possible service to the public.

The members of the N. C. Association of Insurance Agents are local business men and women in their community who not only are interested in the governmental, civic, social and church life of their towns and cities but in many cases leaders of these activities. Many of our members have been elected by their constituents to hold public office in both city, county and state positions. This year one of our members in the North Carolina General Assembly, Honorable Joseph M. Hunt, Jr., of Greensboro, has been elected Speaker of the House of Representatives.

UNC's "Evening College" Offers Much

By Sim O. Wilde, Jr.
Asst. Director Bureau of Class Instruction, UNC

Charles B. Aycock once said that North Carolina was too poor not to educate her children.

This idea today is so true and has been emphasized so much that it has become almost a cliche. Any form of government whose existence depends on the intelligence and good judgment of its citizens must educate and educate again if it is to survive.

But today the educative process is coming to recognize more and more, as a legitimate function of the state, the continuing education of adults: adults who wish to improve on a formal education gained in years earlier; adults who missed the opportunity for an education at some earlier date; adults who simply want to know more about most any subject.

Actually the idea of adult education is an old one. For centuries, probably, man has realized that the only worthwhile education is a continuing education. Faced with the choice either of obsolescence or of enlarging his formal education, the educated man has labored on the job, at night, on his own time, or whenever he could sandwich in the time, to be sure his education remained vital and effective. But in Twentieth Century America, largely because of the increasing premium Americans are placing on an education, aonther group has been added to the educated group. This is the much larger group of adults who have missed formal education at an earlier time and want to do something about it. With the rapid growth in technology, the press of explosive world affairs, and the responsibilities of an atomic age becoming too great a burden to bear, many adult Americans are seeking a means of catching the golden ring of education missed on the first go around.

At the University of North Carolina, whose history and tradition are rich with its various services to the state, this function of the education of adults is served by the University Extension Division. With its philosophy of the state as the campus and its policy to extend the resources of the University as far as possible to the people of the state, the Extension Division has for forty-seven years served the state community at large.

It is divided into six major bureaus

—See Evening College, page 62—

WHAT IS MORTGAGE BANKING?

By Thomas W. Bradshaw, Jr.
Cameron-Brown Company, Raleigh

Mortgage Banking is one of the youngest and fastest growing industries in America's post-war economy. We define mortgage banking as the science of financing real estate transactions, extension of credits to the purchasers or owners of property. A mortgage banker is the manager of this real estate credit. Mortgage financing requires a large and continuous flow of funds for the purchaser and construction of real estate. The tremendous growth of (1) our cities with their requirements for new homes, offices, shopping centers, medical clinics, supermarkets, apartment buildings, parking garages, and (2) farms with their extended need for buildings and equipment, and (3) industry with its demand for many new buildings, plants, and laboratories, has given the mortgage banker constantly increasing responsibilities and opportunities for providing funds necessary to support this phenomenal growth.

BRADSHAW

Let us say that some day in the near future, maybe even tomorrow, you will be in the market for a home, apartment, office building, etc. If you are like 95% of the other Americans, you will need a mortgage to finance the purchase. Somewhere in this vast country of ours, perhaps thousands of miles from North Carolina, a life insurance company, savings bank, savings and loan association, or pension fund, will be seeking an outlet for its funds. You, as the borrower, and that investor as the lenders, will be brought together, in effect, and will negotiate through the services of that investor's local representative, the mortgage banker. He is sometimes referred to as the "loan correspondent." It is his primary objective to invest funds safely and economically on a long-term basis for this investor.

The mortgage banking firm must have complete knowledge and experience in the construction field, appraisal field, and an understanding of money markets, and economic conditions. It is up to him to lend not only on property, but also on character of individuals, stability of income from stores, and apartments, and corporate credit merchandising and manufacturing concerns. Although his primary function is that of extending credit on real estate, this is only the beginning of his duties and responsibilities to the borrowers and the lender for many years to come.

The origination of a mortgage loan is accomplished through a number of sources, and by a number of different ways. The sale of the mortgages can only be accomplished after the loans have been developed and processed. A field representative must know and contact the people who actually need and/or arrange financing. Some of these are: builders, developers, realtors, attorneys, insurance agents, architects, builder's supply companies, pre-fab and pre-cut companies, and also present customers who may either move, build or buy a larger home. Other leads may come from personal contacts with clubs, organizations, Dodge reports, building permits, lot sales, realty transfers.

The closing of loans is an important operation carried on by a mortgage banker. Sometimes loans are closed and held for many months, and then delivered to the investor at his option. This requires a tremendous amount of capital of which a portion is obtained through lines of credit at commercial banks. A commercial bank generally has very little risk since he knows that the loans will eventually be purchased by the investor.

The collection of the principal and interest payments each month from the borrower, and the transmittal of these funds to the investor or noteholders, are meticulous and important operations of the mortgage banker. This is one phase of his so-called "servicing" obligation. Some of the other servicing functions include collection of escrows, payment of FHA insurance premiums, maintenance of records, and many other.

Most of the funds for mortgage investments in this country come from (1) life insurance companies (2) mutual savings banks (3) savings and loan associations (4) commercial banks, and (5) pension funds. Of these five sources, the pension fund is the newest source of mortgage money. These pension funds have many billions of dollars available for investments; however, most of their money is presently tied up in corporate bonds, government bonds, and common stocks. The pension funds, until recently, knew very little about the mortgage banking business. It has been a long and difficult undertaking in educating them as to why they should buy mortgage loans. During the past two years, there has developed a steadily increasing flow of funds from the pension funds into mortgage investments. There is still a sixth group of mortgage lenders or investors in the mortgage banking field, namely, the trust departments of commercial banks, university endowment funds, charitable funds, executors of estates, and even private individuals. Regardless of the source of mortgage funds, and regardless of the type of property which the investment involves, whether it is home, apartment, stores, office building, farms, industrial plants, etc., it is generally through the mortgage banker that the money flows to finance such development.

There are several governmental agencies that play an important role in operation of a mortgage banking firm. These are the Federal Housing Administration, the Veterans Administration, and the Federal National Mortgage Association. Prior to the establishment of the Federal Housing Administration in 1934, most mortgages were made on a non-amortizing basis for a short term, usually five years. The borrower only paid interest and then had to pay a large renewal fee at the end of his five-year term. Since these mortgages were not amortized, many borrowers were caught with large mortgage balances during the 1929 depression, and as a result, lost their homes.

The Federal Housing Administration (FHA) has been largely responsible for the level monthly payment, the declining interest and increasing amortization, and the long-term loans that we have today. It is said that they were mainly responsible for the nationwide mortgage market that we now have.

The Veterans Administration (VA) is a somewhat more liberal type home guaranty for veterans of World War II, and has now been extended to Korean Veterans. It was the function of this program to help rehabilitate World War II veterans. Politics has played an important part in keeping this program active.

The Federal National Mortgage Association (FNMA) is a corporation partially owned by private industry and partially owned by the government, and is designed to insure the availability of a continuing flow of mortgage funds when the private lenders are short of funds. Its function is to purchase loans during tight money periods and in turn sell them back to private investors as money eases.

The mortgage banking industry today is one of the fastest growing and most important in our highly geared economy. The investors have been quick to recognize the practicality of investing in long-term mortgages, which give them a fair rate of return on their capital.

The long-range outlook for housing and subsequently the home financing is good. The experts predict that during the 1960's we will see a greater housing boom than we have witnessed during the past 10 years. The millions of babies born since 1940 will begin to reach marriageable age during the early 1960's. They will begin forming families of their own, and this in turn will create demands for food, clothing, and houses. Some even predict that we will be building 2 million houses a year by the late 1960's. This is a real challenge to the mortgage industry.

KLEIN PRODUCES TV MOVIES IN STATE

North Carolina has one firm producing motion pictures for television: The Walter J. Klein Company in Charlotte.

Why only one? Walter Klein, president of the firm, has an answer. The motion picture business is centered in New York, Chicago and Los Angeles. It's a rarity anywhere else. But once in Chicago the plans board of Sears, Roebuck asked Mr. Klein what on earth his firm was doing in Charlotte, North Carolina. His answer: "We're there."

And so they are. Charlotte is the home of a staff of eleven who produce many full-length color motion pictures each year, scores of television commercials, radio recordings and publicity materials.

They do it from a building designed for the purpose. It contains a soundproof studio filled with lighting equipment, props, backdrops and a kitchen. And the structure has a recording room, editing room, darkroom, theater and many offices.

Yet a large part of the work isn't done at their 1214 Elizabeth Avenue headquarters.

In the past year the Klein staff has been shooting and recording in Switzerland, Iowa, Argentina, Florida, France, Washington, Chile, Indiana, Holland and —North Carolina.

Their work finds them riding harvesters, tugboats, floats, race cars and blimps. They record music that varies from Ravel to specially written mountain music. Their announcers vary from the ominous voice of The March of Time, Westbrook Van Voorhis, to the sharp play-by-play words of Howard Cosell, sports director of the ABC network.

At this moment Klein photographers are shooting at Parr, South Carolina, one of the quietest spots in the Carolinas. It's the site of the Mid-Atlantic's first commercial nuclear power plant. The Walter J. Klein Company has covered progress of the Carolinas Virginia Nuclear Power Associates project since groundbreaking. The motion picture will take more than two years to complete. Photographers shoot from a tower high over the ground, the excavation sixty feet below the surface, and on location at Westinghouse where the reactor is being built.

Their approach is not superficial. The storyline of this film, for instance, treats the arrival of nuclear power through the eyes of the children of the scientists, workers and farmers affected by the project. One sequence dissolves from Albert Einstein's violin to a Jenkinsville farmer's four-string banjo.

Some work is done gratis. One film completed this year depicted the treatment of a child in the Shriner's Hospital for Crippled Children in Greenville. Prints are now used all over the country to help explain this work of the Shrine.

And some work is dangerous. The Walter J. Klein Company produces automobile racing films for the automotive industry at tracks in Darlington, Atlanta and Charlotte. One photographer was injured in May as driver Johnny Allen crashed into his scaffold. Doctors sewed up his eye and he went back to shoot the rest of the race. In September another Klein photographer was thrown to the ground by one of three men killed by an out-of-control car. In December five Klein staff members were stranded in a remote spot 700 miles north of Antarctica when heavy lake water flooded their boat motor.

North Carolina profits from some Klein film work. Two shows draw national attention to attractions in the mountains of North Carolina. Another

—See Klein TV Movies, page 64—

Ancient Egypt comes to life before the Charlotte cameras of Klein Studios when a costume shot is needed.
Lower: It took three hours to shoot and record this shot of a bear trap being sprung. By the time it reached the screen, the elapsed time was three seconds.

STATE FINANCE TYPICAL OF SMALL LOAN COMPANIES

Wyatt (Mack) Poole is a tall, blond, easy-going young man with ten years of Small Loan experience behind him. He is the manager of a typical office that makes loans which average $154 to people who might otherwise not be qualified for a loan.

Of the hundreds who come into the State Finance Company at 133 South Salisbury Street, Raleigh, about 40% are approved by Mr. Poole for loans. If broken down by race, the loans go to successful applicants 65% of whom are white and 35% non-white. Most of the loans are "secured". Collateral doesn't always equal the amount of the loan. For instance, security for a loan, besides the signature of the borrower may be a plow, a cow, a TV set, radio, refrigerator, stove, bicycle, or even a baby carriage. Foreclosing on these items are seldom. Slow payers, or those who may experience additional tough luck besides that which may have necessitated the original loan, usually work out their difficulties by refinancing with the company. Small finance operations may not charge an extension fee and extend the contract. The entire contract must be refinanced if arrangements other than the original contracts are to be made.

The average loan of $154 is for a period of nine months. All loans may be "Paid out" at discount at any time prior to the final payment. Maximum loan which State Finance may make to an individual is $515.

Who are the people who borrow from small loan companies? Percentages show, according to a recent study of 1,111 consumer finance offices throughout the country, that the following is true:

Skilled and semi-skilled workers, 48.15
Office and other non-manual skills, 9.35
Mgrs., Supts., foremen, farm mgrs., and in business for selves, 7.56
Salesmen and saleswomen, 4.90
School teachers, .82
Unskilled and domestic workers, 10.24
Professional and semi-professional, 3.31
Persons with independent incomes, 1.65
Protective services, members Armed Forces, other service workers, 13.86
Occupations not reported and miscellaneous, 0.16

State Finance is one of a chain of small loan agencies. W. G. Seaton, Atlanta, is president of the chain and visits the Raleigh office frequently. The present office on South Salisbury Street was formerly located on the second floor of the Odd Fellows Building. When it moved into a first floor, street location, business increased.

State Finance makes no loans which require longer than 19 months to repay. None of the employees may borrow money from the firm. The concern loans money to the approximate amount of $200,000 in more than 1000 transactions. Many customers repeat. That is, they borrow again as the need develops to purchase other merchandise and pay cash for it, or as emergencies arise.

Most common check on credit used by loan offices is the Credit Bureau. In addition to this, the company also checks with other people often not given as references. There is general exchange of credit information on applicants between the loan offices of the various small loan companies in Raleigh.

While borrowing increases during the summer months as many people pick up cash for a vacation trip for which they have been unable to save, most of the loans are made for medical and household expenses. The average loan takes about one hour to clear and complete.

While some newspaper and radio advertising has been done by State Finance, it sticks mostly to direct mail, and this seems true of most of the small loan companies in this State.

State Finance is a member of the North State Loan Association which has offices in the Raleigh Lawyers Building. This is an organization which is a kind of self-policing organization to hold member companies within the ethical operational procedures considered honest and good.

The State Finance has four local employees who handle all local transactions of the firm. Staff members are Wyatt Poole, manager; Jack B. Bragg, assistant

Monoger "Mock" Poole tolks with a customer over the phone, Right, Heod Cashier Eleose Eogerton and Asst. Coshier Joyce Edwards ore busy on clericol work. Both sides of the semi-privote booths ore shown below. Numbers ore on customers' side of booths. Lower right, shows Asst. Manoger Jack B. Bragg checking doy's loons.

COMMISSION REMINDS US OF HISTORY OF CHARTER

By Brig. Gen. John D. F. Phillips
USA (Ret.), Executive Secretary

The year 1963 marks the 300th anniversary of the Carolina Charter of 1663. On March 20th of that year, King Charles II at his court in Westminster issued this document to eight of the supporters who, a few years earlier, had provided him crucial backing in his struggle to regain the English throne. Under the terms of the grant the eight Lords Proprietors became the owners of an immense area extending southward from Virginia to Florida (then a Spanish possession) and from the Atlantic to the "South Seas" or Pacific Ocean. Although the Carolina Charter was granted by Charles II to his eight friends in settlement of political and, perhaps, other indebtedness, it is, nevertheless, an indispensable link in the chain of records beginning with Magna Carta that establishes and preserves our political liberties down to the present.

In the Carolina Charter are found, for example, guarantees of the representative form of government which characterizes our way of life. The Lords Proprietors were required to

> make [and] enact under their seals . . . any laws whatsoever, either appertaining to the public state of the said Province or to the private utility of particular persons, according to their best discretion, of and with the advice, assent and approbation of the freemen of the said Province, or the greater part of them, or of their delegates, or deputies, whom for enacting the said laws when and as often as need shall require. We will that [the Lords Proprietors] shall from time to time assemble in such manner and form as to them shall seem best.

The original document from which these words are taken was acquired for the State of North Carolina by a group of public-spirited citizens who purchased it from a British antiquarian bookseller in 1949. Since 1951 the venerable four-page parchment has been on display in the Hall of History in Raleigh, encased in a modern, fireproof safe so constructed that each page can be examined without damage. Each year many thousands of visitors, including entire classes of school boys and girls, view the document. It is worth noting that only six other states possess their colonial charters today.

In 1959, the North Carolina General Assembly, the lineal descendant of that early body which convened at Durant's Neck pursuant to the provisions of the Charter, established the Carolina Charter Tercentenary Commission. This group was charged with the task of planning a program for the celebration of the Tercentenary of the Charter. At the appropriate time the Commisison is required by the legislation to conduct a celebration or series of celebration. The Charter Commission, as it is commonly referred to, comprises twenty-five members of whom three are ex officio, namely: the Superintendent of Public Instruction and the Directors of the Departments of Conservation and Development, and of Archives and History. The remaining twenty-two members are appointed by the Governor for two-year terms. The Honorable Francis E. Winslow of Rocky Mount is Chairman of the Commission.

An organizational meeting of the Charter Commission was held in Raleigh on October 15, 1959 at which was appointed an executive committee consisting of the Chairman, Mr. Winslow, and Mr. Henry Belk, Editor of the **Goldsboro News-Argus**; Dr. Christopher Crittenden, Director of the State Department of Archives and History; Dr. H. H. Cunningham, Dean of Elon College; Mr. Lambert Davis, Director of the University of North Carolina Press; Mrs. Robert Grady Johnson, President of the North Carolina Division, United Daughters of the Confederacy; and Mr. David Stick, author and historian of the Outer Banks. The following spring the Commission appointed an executive secretary and established a headquarters in Raleigh at 121 Halifax Street. At a second plenary meeting of the Commission in May, 1960, steps were taken to initiate planning for the observance of the Charter Tercentenary in 1963.

Among the important decisions taken at the May, 1960, meeting was one to include in the scope of the celebration the first century of the colony's existence, that is the period 1663-1763. Several cogent reasons influenced the members of the Commission in this determination. It was recognized that the actual granting of the Carolina Charter

manager; Miss Elease Eagerton, head cashier, and Mrs. Joyce Edwards, assistant cashier.

While there are more than 600 small loan firms in North Carolina, State Finance happened to be the one, selected by lot, to illustrate the operations of the average company.

Pictured is the street level office of State Finance Company, South Salisbury Street, Raleigh.

occurred in England, not in America. Thus there is not available in North Carolina a locale specifically associated with the year 1663 as is Jamestown for 1607 or Plymouth Rock for 1620. Moreover, the tempo of activity in the colony immediately following the issuance of the Charter was slow; it was not until October, 1664, that the first colonial official, William Drummond, a Scottish merchant then resident in Virginia, was appointed. Drummond was designated "governor and Commander in chief" of Albemarle County, one of the three regions into which the colony was divided by the Lords Proprietors.

During these early years settlements were confined chiefly to the coastal region. It is estimated that by 1700 the total population of the colony did not exceed 5,000 with perhaps half this number in a small area adjoining Albemarle Sound. By 1763, however, the colony's population had grown to approximately 200,000 and settlement had extended westward to the Blue Ridge mountains. The present-day town of Old Fort, near Asheville, was founded in 1755.

It is obvious, therefore, that adoption of the time from 1663-1763 for observing the anniversary of the Carolina Charter provides a broad geographical base for 1963's celebrations and offers a reasonably wide selection of events suitable for commemoration. Increased opportunities are afforded for local as well as state-wide observances, a situation which the Charter Commission considers conducive to a genuinely popular celebration.

Still another important consideration may be cited to support the Charter Commission's decision to adopt the period 1663-1763 as a chronological basis for its plans. Historians regard the year 1763 as the end of the colonial epoch of American history. It will be recalled that in that year the Seven Years War, or the French and Indian War, as the conflict was known in the colonies, ended. With the elimination of the local threat, provincial spirit tended to become increasingly self-sufficient and even nationalistic, a development that was not slowed by Britain's ill-considered efforts to induce the colonies to submit to economic measures which were designed to liquidate part of the cost of the war. Events led rapidly to the outbreak of the hostilities which resulted in American independence.

While much is known about North Carolina's role in the struggle for independence . . . the Regulators, the Battle of Alamance, the Provincial Congresses, and the Halifax Resolves are usually familiar to Tar Heels . . . the events of the first century following the Carolina Charter are less well understood. The Culpeper Revolt in 1677, for example, in which the colonists successfully maintained their right to representative government as established in the Carolina Charter of 1663, is equally as significant as the Halifax Resolves as a "first" in American colonial and national history. Renewal of attention to the developments of the period 1663-1763 during the Carolina Charter Tercentenary in 1963 will permit a better understanding of the part played by pioneer North Carolinians in shaping the institutions of our country. The more familiar events of the period following 1763 should be commemorated during the bicentennial of the American Revolution which might well usher in the nineteen seventies.

Several committees have been organized to formulate plans in various fields of activity: Arts, Commemorative Events; Programs in Schools, Colleges and Universities; Religious Activities; and Scholarly Activities. Each of these groups include, in addition to members of the Charter Commission, a number of prominent citizens whose interests and experience lie in the field of the committee concerned. These persons are designated associate members of the Charter Commission.

The Committee on the Arts is responsible for planning a program in the field of fine arts, music, and literature. Projects in this category may include literary competitions, musical compositions and performances, playwriting and dramatic productions, ballet, production and exhibition of works of art, and other related activities. Mrs. J. O. Tally, Jr., of Fayetteville is chairman of the committtee.

Two other prominent ladies are co-chairmen of the Committee on Commemorative Events: Mrs. Inglis Fletcher of Edenton and Mrs. Harry McMullan of Washington. This group has a steering sub-committee under the able leadership of the Honcrable J. Vivian Whitfield of Wallace. It is concerned with the plans for programs of observance of significant events which occurred during the period of establishment and consolidation of colonial North Carolina. These observances will be festive or serious in character as the event to be commemorated requires. Emphasis will be given to local as well as state-wide commemoration. In order to enlist the support of local patriotic and civic organizations in the promoting of these programs, the Committee on Commemorative Events requires membership from most, if not all, of the counties of the state.

In like manner the Committee on Programs in Schools, Colleges and Universities has a large membership. Its job is the formulation of plans for the observance during the Tercentenary of significant events of the colonial period by students in all of the state's educational institutions. Representation on the committee from each county and from each institution of higher learning is rapidly being attained. The committee is headed by Dr. H. H. Cunningham, who is assisted by Miss Lois Edinger, President of the North Carolina Education Association.

Recognition of the historic role of the Church in the establishment of the colony is accorded by the Charter Commission through its Committee on Religious Activities. At the present time this group has no chairman; however, it will encourage the development of plans for observing the Tercentenary by churches throughout the state. Particular emphasis will be given to the activities of those churches which trace their establishment to the colonial period.

The Scholarly activities Committee, under the leadership of Mr. Lambert Davis, is concerned with the identification and selection of scholarly materials for exhibition, publication and microfilming. As a related activtiy, the group has recommended that certain national and regional learned societies be invited to conduct conferences and conventions in North Carolina in 1963. Mr. William S. Powell, Librarian of the North Carolina Collection of the University of North Carolina Library, is serving as co-chairman of the Committee on Scholarly Activities.

A major objective of the Charter Commission is support of construction by the state of an appropriate building to serve as a repository for North Carolina's priceless archives and other historical items, and as a modern, efficient historical museum. The lack of suitable facilities for these purposes, which every neighboring state possesses, is considered by the Charter Commission as entirely out of keeping with the forward-looking attitude of a great state. The Charter Commission, therefore, along with the North Carolina Confederate Centennial Commission, intends to seek public support for such a building which will afford an appropriate setting for the historic Carolina Charter of 1663, permit the proper preservation of the state archives, and provide an up-to-date hall of history, worthy of the state's proud record. To facilitate the achievement of this objective, the Charter Commission has formed a Finance and Building Committee which is headed by Mr. James G. W. MacLamroc, of Greensboro.

It has been proposed that the projected structure be called the Carolina Charter-Confederate Memorial Building, a name which in time might be appropriately shortened to "Charter-Memorial Building." Such a building, apart from its critical need to serve a functional purpose, would indeed constitute, a fitting monument to the great heritage of North Carolina. The Charter Commission is much encouraged by the recommenddations of the Commission on Reorganization of State Government contained in its recently published Fifth Report (November 10, 1960). Recommendation No. 1 calls upon the General Assembly of 1961 to

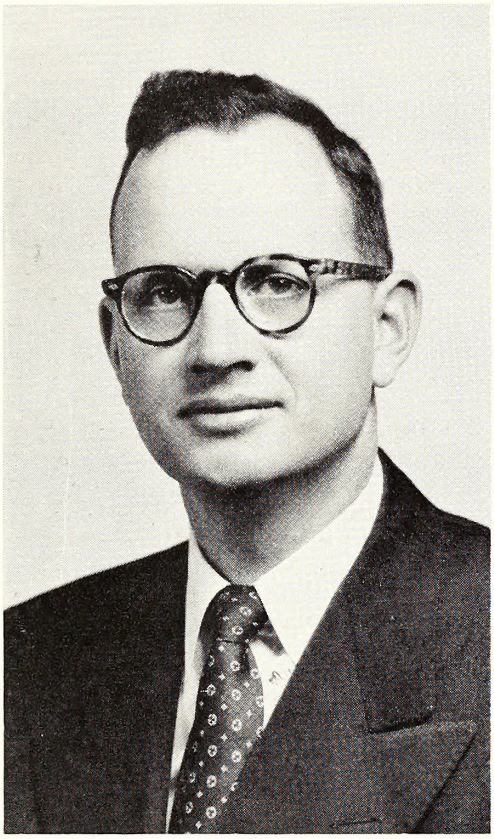
> provide for the establishment of a center, to be called "Heritage Square," wherein may be eventually erected suitable buildings for the State Library, the Department of Archives and History, the Museum

—See History of Charter, page 61—

Where Now?

(This is another report on the whereabouts of former ESC Employees)

When the Unemployment Compensation Commission began paying the first benefit claims on January 1, 1938, one of the original claims examiners was a third-year law student at Wake Forest College. Shearon Harris thumbed a ride after morning classes to meet the second shift of the Claims Department at 3:00 in the afternoon and worked on the third floor of what is now the Sir Walter



SHEARON HARRIS

garage until 11:00 P.M. The midnight bus to Wake Forest carried him back to his studies.

Shearon was about to be forced to drop out of Law School because of financial difficulties when Mrs. J. B. Spillman, U. C. C. Commissioner, asked him if he could work an afternoon and evening shift and keep up with his classes. Dr. I. Beverly Lake, who was one of his teachers, reports that the forty-hour work week apparently did not impair Shearon's ability to absorb instruction.

He continued in his claims examiner post until the end of 1938, at which time he resigned to become Assistant Principal Clerk of the State Senate during the 1939 session. At the end of that session, he opened an office for the practice of law in Albemarle where he continued to practice until he joined the Legal Department of Carolina Power & Light Company in Raleigh on December 1, 1957. Time was taken out from the law practice during 1943-45 for thirty-two months of military service, including twenty-eight months spent in North Africa, Italy and France. Entering the military service as a private, he was commissioned in the field in France and was separated from the service with the rank of first lieutenant. He was awarded the Bronze Star and the Legion of Merit for exceptionally and meritorious service beyond the call of duty.

In addition to private law practice in Albemarle, Shearon became General Counsel for Queen City Trailways and other affiliated enterprises in Charlotte in 1946 and continued in that capacity until coming to Raleigh. In 1955 he served as a member of the House of Representatives from Stanly County and served actively on the Employment Security Committee during that session. Colonel Kendall reports that Shearon showed at that time that he had retained much from his early experience and had continued a genuine interest in E. S. C. matters.

Shearon Harris has been active in many public, civic and church activities. He has served as a vice president of the North Carolina Bar Association and as a member of its Board of Governors. He was vice chairman of the famed Bell Committee on Improvement of the Administration of Justice. Governor Hodges appointed him to the Advisory Committee of the Board of Water Commissioners and the Commission on Reorganization of State Government. He is an active Baptist Layman, Deacon and Sunday School teacher and also serves as Parliamentarian of the Baptist State Convention. He is a Director of Textile Insurance Company of High Point and Transportation Supply Corporation of Charlotte.

Carolina Power & Light Company Directors elected him a Vice President of that Company in December, 1960.

Married to the former Helen Finch Morgan of Albemarle, Mr. and Mrs. Harris have three daughters, Sarah 14, Jennie 11 and Susan 8.

Referring to his former service with Employment Security, he recently commented, "Not only was my job essential to my being able to complete my law study but the experience and the association during my service with Employment Security has been a continuing asset for me through the years. We met some trying problems in those early days and I still enjoy reminiscing with Sam Teague, Adrian Newton, Hugh Raper and many of the other pioneers over the days when pretty girls were fainting like flies in the 110 degrees of the old Sir Walter garage building in the summer of 1938. I congratulate Colonel Kendall and the fine organization which he leads in rendering an efficient and important service to the working people of North Carolina."

BACHE & CO.

—Continued from page 47—

memos which are circulated through the organization. These meetings, something of a Bache exclusive, are only one example of the value of the Research Department.

Booms and market breaks have not slackened the constant growth of Bache & Co. The greatest crisis of them all, the 1929 market upheaval, was surmounted with an increase in the firm's prestige. The partners, in 1929, having foreseen the possibility of a decline, had taken steps to reduce their broker's loans which, prior to then, had climbed to a total of $200,000,000. Despite the fact that the reaction was far more violent than had been anticipated, the firm had no positions to cause concern, no investment trusts to protect and emerged from the holocaust intact and even more efficient. It expanded its wire system by adding branches other houses had had to

—Continued on page 100—

This was the happy scene when Kathryn Queen, E&TS, Waynesville, received her 20-year pin and certificate from Chairman Henry E. Kendall in his office recently.

INDUSTRIAL PROGRESS KEY — COOPERATION

By Wade Lucas, *Information Officer, Department of Conservation and Development, Raleigh, N. C.*

Close cooperation at local and State levels has been the key—and will continue to be—to the progress made in recent years in furthering the industrial development of North Carolina.

State and local organizations realize they must continue to work together in a highly competitive field of industry procurement if North Carolina is to continue to register notable progress in adding strength and stability to the State's overall economy.

That cooperation at local and State levels in working for more new industry and the expansion of existing manufacturing facilities has paid off is graphically shown by a survey of what has been accomplished in this field during the past decade.

This survey revealed that more than $1,750,000,000 was announced for investment in new and expanded plants in North Carolina during the 1950-60 decade. It indicated upwards of $675,000,000 in added payroll annually as the result of the prospective creation of almost 240,000 new jobs.

This record of accomplishment is due primarily to the hard work done at local and State levels by industrial development organizations, Chambers of Commerce, banks, utility and transportation companies, individuals, and civic leaders in working to bring more industrial payrolls into North Carolina.

Governors, heads and members of various State departments, and others have cooperated wholeheartedly in working to bring more industry into North Carolina and to assist in every way possible the growth of existing industry.

Working throughout this period and ever since it got its first direct State appropriation from the 1937 General Assembly for promoting North Carolina's industrial development, has been the responsibility of the Division of Commerce and Industry of the North Carolina Department of Conservation and Development.

Essentially a service agency and supported wholly by public funds, this division functions as an organization whose scope of operations recognizes no county boundary lines in working with various groups to bring more industry into the State and to assist existing industry to operate pleasantly and profitably, according to William R. Henderson, Industrial Development administrator for the Department of Conservation and Development and head of its Division of Commerce and Industry.

"Our duties as a State development agency are clearly prescribed by law," said Henderson. "We work for the development of North Carolina as a whole."

Under the leadership of Governor Terry Sanford and Director Hargrove Bowles, Jr., of the Department of Conservation and Development, the Division of Commerce and Industry will continue the policy of close cooperation with all industrial development groups at work in North Carolina.

"North Carolina has much to offer, industry and we shall increase our efforts to assist communities throughout the State to attract industry," said Henderson, in outlining the organization and functions of the division he heads.

Henderson feels the division is now in the best position it has been in its long history to help promote further industrial development of North Carolina as a result of its recent reorganization and the new activities added to meet the demands for an expanded program.

It is well to look forward into the history of the Division of Commerce and Industry before outlining in rather general terms the expanded services it is now equipped to do in helping procure new industry, and to assist and encourage the growth of existing industries.

Although the Department of Conservation and Development was established by the 1925 General Assembly by using the old North Carolina Geological and Economic Survey, it was not until two years later that the Division of Commerce and Industry was established as an administrative unit.

During its earlier years, the Division functioned primarily as a statistical and fact-gathering agency with funds for its operations derived from administrative appropriations. Its original personnel consisted of a statistician and a secretary.

It was not until 1937 that the Division received its first direct appropriation from the General Assembly, which also during the same session made the first appropriation for State Advertising which resulted in the creation of the State Advertising Division of the Department of Conservation and Development. Then, as now, part of the biennial appropriation for State advertising is used for advertising advantages North Carolina has to offer industry.

After getting its first direct appropriation in 1937, the Division of Commerce and Industry established an active industrial development program. Initially, the staff of the division consisted of the head of the division, an assistant and a secretary. The division has operated continuously since that time, although at one period its activities were sharply curtailed.

The record shows that the Division has pioneered in many of the services it now offers, particularly those in the field of assistance provided toward the development of small locally-sponsored industries, emphasizing the importance of and assisting in development of more plants for processing of the State's agricultural and seafood products, and broadened service to local development agencies. Several of these and other features of the development program have been taken as a model by other states.

In January, 1961, Governor Sanford went to Philadelphia, Pa., to receive the award given North Carolina by the Society of Industrial Realtors, an affiliate of the National Association of Real Estate Boards, for having been adjudged as having the most effective State industrial development program of any State in the nation or Canadian province.

Among the reasons cited by Clinton B. Snyder of Hoboken, N. J., president of the National Society of Industrial Realtors, for the giving of this outstanding award to North Carolina were: missions taken to several large cities in the United States and Western Europe by about 700 North Carolinians to tell what the State has to offer industry; a home development program; efforts to promote private financing facilities to serve industry; survey and advisory service to local communities; industrial conferences and workshops; and various other activities carried on in cooperation with local and regional development groups.

Under its reorganized program of service and activity, the Division's importance in the field of industrial development now being emphasized in North Carolina may be evaluated by the fact that from an initial appropriation of $5,067 in 1937, its operating budget had grown to $317,661 in 1960. Its original staff of two has now grown to 31.

Henderson said that for administrative purposes and to give proper emphasis to its various activities, the Division now functions under four sections. They are: General Development, Research and Statistics, Community Development, and Technical Studies. He outlined the work of each as follows:

GENERAL DEVELOPMENT

In the General Development Section is centered the contacts with industrialists who are considering new manufacturing facilities.

The Industrial Development Representatives are the salesmen for the State. Each is responsible for following through certain of the prospects assigned to him from the time of the first "lead" until a decision on a site is made. Every project is thus not only the responsibility of an individual staff member but is a direct challenge.

Each project demands a varying amount of time and attention proportional to the requirements of management, competition and other factors. The time required for a decision also differs widely and the degree of services on the part of the Development Representative

is different in virtually every instance.

In recent years, competition for new plants has become increasingly keen in every part of the country. As a result, the services which are offered by the various development agencies have multiplied steadily. The successful program, therefore, calls for meeting this competition and the individual attention which must be devoted to the average prospect thus increases steadily. This naturally causes more intensive activity on the part of the representative to whom the prospect is assigned and a longer lapse of time before a decision is reached.

Normally, the first step after the Division has its first contact with a prospective new industry is to ascertain the requirements for its operation. With this information, the Development Representative then suggests several locations where the firm's specifications seem to fit best.

(It is well to point out to communities and their representatives that industry never locates a plant in any area unless that area is able to supply its varied needs.)

Information is then supplied on the communities that are proposed for consideration and the prospect is invited for a personal inspection and evaluation of the facilities in the various locations.

At this stage, or as soon as the approval of the prospect can be obtained, he is identified and put in contact with local industrial development representatives, whose job it is to do the selling of their area or community. The choice of community for a plant location rests entirely in the hands of the prospect.

As stated previously, the Division does not seek to use its influence in favor of any specific community unless the choice is between one location in North Carolina and one in another State.

RESEARCH AND STATISTICS

The Research and Statistics Section plays a key role in the industrial development program of the State and performs many valuable services to similar efforts being made by city, county and area organizations throughout North Carolina.

The section endeavors to anticipate the general and specific facts of an extremely wide variety that deal with selling North Carolina's potentials and opportunities to business. These data are used by the Division's field representatives, by the prospects themselves, and by many people operating in the local development agencies throughout the State. The section also serves engineering and plant locating agencies and utility and transportation groups carrying on development programs.

Some of the subjects covered will indicate the scope of data collected and correlated: Population, labor, wages, utilities, construction, transportation, natural resources, taxes, education, social amenities—and many other items. In addition, the section attempts to keep on file some basic data sheets or survey of every city and town in North Carolina. Thus, throughout the years this has become one of the largest and varied data-gathering offices in the State.

The Section also is the sole agency that keeps a continuing account of the State's proposed new and expanded industrial development. Monthly, quarterly and annually, the section summarizes total gains in the State, using the Standard Industrial Classifications to issue the number of proposed new plants, expansions, the total new and expanded dollar investment in plants and equipment, total added workers and added payrolls.

It is obvious that a high degree of accuracy is required in all statistics gathered and issued by the section. When completed, large sums of money are involved in the projects and it is essential that data prepared to help influence plant location decisions be full and absolutely accurate.

COMMUNITY DEVELOPMENT

The origin of what is now known as the Community Development Section dates back to 1945 when a special program was organized under the title of Rural Industries Program in response to a strong movement toward encouraging the processing of the products of North Carolina farms and to assist in the development of agricultural ateas. A Rural Industries Committee, representing various citizen organizations, was appointed.

In 1954, the section name was changed to Small Industries and increasing stress was put on the establishment of local industries, particularly in the smaller communities. Special stress was laid on greater utilization of products grown on the farm and seafood taken from waters along the North Carolina coast and inland areas.

This phase of the Division's program was again enlarged last year and is now known as the Community Development Section. Currently, the program includes service to existing industries, to community development programs, assistance in the establishment of local industries, and a program designed to encourage further processing of food and seafood products.

Considerable attention is being devoted to service to existing industries. The Division has already assisted numerous companies to solve perplexing type problems. However, the Division does not attempt to act as a consultant on questions of technical nature but primarily on problems involving State services and community relationships.

In addition to the actual assistance the Division may be able to render, it constantly reflects a concern over the welfare of existing industry and manifests interest in its successful operation. Particular attention is also devoted by the section to assisting industries to obtain Federal Government contracts and in helping develop new markets for North Carolina products.

The Section offers its facilities to communities in preparing themselves for industrial development, both from the standpoint of organizing for the purpose, and in making their programs more effective. In this connection the section, when requested by the communities, cooperates in self appraisal studies by furnishing survey forms and helping to analyze the data assembled.

Many communities throughout the State have entered the self-appraisal program and several have completed the surveys. Others wishing to obtain this service and thus make themselves better prepared to attract new industry are invited to contact the Division.

In every possible way, it is the purpose of the section to help every manufacturer to feel that he is an appreciated part of the general economy of the State and that the State is interested in his welfare.

The Division also encourages and assists in movements designed to aid communities in showing their appreciation to industries operating in their areas. The Division cooperated in late 1960 with the North Carolina Association of County Commissioners in the "Industry Appreciation Week" sponsored by that group.

As financing is often the key factor in obtaining new industry and in sustaining and expanding existing firms, the Division recently moved to offer more services in this field. It has secured the services of a former banker, who has many years of experience in advising on problems involving the financing of new and existing industries.

This new service includes advice as to the sources of financing and procedures to be followed with regard to obtaining necessary funds. Demands for such service have been heavy from the beginning of the program. Valuable assistance has already been given in several instances to those asking for aid of this nature.

TECHNICAL STUDIES SECTION

This is the newest section of the Division of Commerce and Industry. As its name denotes, the section is charged with carrying out technical studies for the purpose of steering the State's development program into the most productive fields and providing assistance with the various projects which are undertaken by the Division and the communities.

A feasibility study to determine the types of industry best suited for development and for which the State holds competitive advantages is one of the first projects launched by the Section. This will make it possible to give emphasis to the attraction of manufacturing facilities that are most logical for development in North Carolina. It is believed that this feature will help to bring about a broader industrial base for the State through a greater diversification of manufacturing.

Information assembled from the various studies made by this Section will be applied toward aiding existing industries to expand in fields that offer substantial potentials, and to attract new industries.

The Section works closely with the General Development staff in helping to solve technical problems involved in plant location projects. Technical data plays an increasingly important part in singling out the suitability of an area for the location of a plant. This type of service is made available to the various communities of the State and to plant location agencies.

Another of the responsibilities of the Section is the preparation of site brochures and site analytical studies for the larger plants whose requirements are of a technical nature.

As Administrator Henderson has said, the Division of Commerce and Industry of the Department of Conservation and Development is now better equipped than at any time in its long history to render greater service to industries seeking new plant sites, to communities wanting new industry, and to existing industries which for generations have been—and still are—most important to the overall economy of North Carolina.

New and proposed industries as reported for North Carolina during the year 1960 and compiled by the Division of Commerce and Industry of the Department of Conservation and Development follow:

Food & Kindred Products

Hugh Collins Mill, Fairmont, Feed
Albemarle Chemical Co., Hertford, Feed
Tabor City Foods, Inc., Tabor City, Canned Sweet Potatoes, Beans, Etc.
Mill Creek Processing Company, Roxboro, Sorghum Table Sirup
W. J. Calhoun Feed Mill, Clinton, Feed
E. L. Duvall & Son, Inc., Raleigh, Chop & Mix Vegetables for Salads, Etc.
Newton Grove Farmers' Exchange, Newton Grove, Feed
Midstate Mills, Inc., Newton, Flour and Meal
Smithfield Ham Plant, Inc., Smithfield, Process Hams
G & M Milling Co., Inc., Olin, Feed
Catawba FCX Service, Newton, Custom Farm Grinding & Mixing
Earle-Chesterfield Mill Co., (Burch) Elkin, Poultry Feed
Pepsi Cola Bottling Co., Roxboro, Soft Drinks
Princeton-Pine Level Feed Mill, Princeton, Feed

Textile Mill Products

Dave Baer Hosiery Mill, Inc., Valdese, Seamless Hose
(J. P. Pons Division) Holladay Custom Carpeting, Inc., North Wilkesboro, Carpets
Rockingham Mills, Inc., Rockingham, Upholstery Fabrics
R. C. McDaniel & Sons, Morganton, Children's Socks
Shelby Seamless Hosiery Mills, Inc., Shelby, Seamless Ladies' Hosiery
Washington Mills Co., Marion, Knit Goods
Carolina Textiles, Inc., Oakboro, Bedspreads, Linens, Etc.
Eddystone Hosiery Mills, Inc., High Point, Seamless Hosiery
Hickory Knitting Mills, Inc., Hickory, Sweaters
Kennedy Hosiery Mills, Hickory, Mor-Pul Misses' Hose
Shrink Stayed Fabric Corp., North Wilkesboro, Knitted Fabrics
Carolina Fabric Label Corp., Greensboro, Dyeing & Finishing Narrow Fabrics—(Printed Labels)
Creative Texstyles, Charlotte, Textile Printing
Morganton Finishing Co., Morganton, Dye & Finish Cloth (Synthetics)
Angier Knitting Corporation, Angier, Nylon-Cotton Knitted Goods
Eastern Mills Corporation, Asheboro, Seamless Hosiery
Hendrix Batting Co., Inc., High Point, Cotton Felt
Dallas Sports Knitting Co., Dallas, Baseball, Basketball and Football Uniforms
Beagle Brand Hosiery, Inc., (Longview) Hickory, Greige Goods Hosiery
Sutton Park Textiles, Monroe, Knitted Collars and Cuffs
Gastonia Knitwear Co., Gastonia, Knit Sweaters
Atwater-Waynick Hosiery Mill, Inc., Reidsville, Ladies' FF Hosiery
Houser Manufacturing Co., Cherryville, Fine and Coarse Yarns
Smithson's Inc. of Southern Pines, High Point, Quilted Upholstery Fabrics
Woodbury Knitting Co., Charlotte, Sweaters
Best Wear Mills, Kernersville, Hosiery

Apparel and Other Finished Products

Bailey Import, Limited, Wendell, Children's Dresses
Beaver Manufacturing Corporation, Bessemer City, Polo Shirts
Beulaville Garment Co., Inc., Beulaville, Dresses, Etc.
Apex Manufacturing Co., Apex, Swim Suits
Creedmore Manufacturing Co., Creedmore, Men's Sports Shirts
Care-Free Lingerie Corporation, High Point, Ladies' Slips & Petticoats, Etc.
Sun Styles of Charlotte, Inc., Charlotte, Ladies' Sportwear
R & S Manufacturing Co., Cherryville, Blouses
Wallace Garment Co., Wallace, Contract Sewing
Gail Garment Company, Inc., Winston-Salem, Contract Work on Ladies' Apparel
Interstate Manufacturing Co., Hickory, Bed Pillows (Shredded Foam Rubber)
King's Point Manufacturing Co., Fayetteville, Men's Jackets and Underwear
Pembroke Manufacturing Co., Pembroke, Women's Slacks, Shorts, Toppers, and Maternity Sportswear
Carolina Sleepwear, Inc., Weldon, Women's & Children's Sleepwear
The Hadley Corporation, Asheville, Skirts
Pen Rod Manufacturing Co., Concord, Boys' Shirts and Pants
Manson Neckwear Co., Asheboro, Men's and Boys' Ties
Whitakers Garment Co., Inc., Whitakers, Ladies and Children's Dresses
Belhaven Garment Co., Belhaven, Children's Dresses
Dorothy Curtain Co. of N. C., Inc., Rocky Mount, Plastic Window Curtains
Hayesville Manufacturing Co., Hayesville, Ladies' Dresses
June Day Manufacturing Co., Williamston, Bathing Suits
Betty Blythe Originals Corp., Canton, Children's Dresses
Burlington Belt Corporation, Elon College, Belts for Dresses
Onslow Garment Industries, Jacksonville, Contract Sewing

Lumber and Wood Products

East Hardwood Co., Beaufort, Lumber
E. W. Godwin Lumber Co., Wallace, Lumber
Red Springs Lumber & Chip Co., Red Springs, Chipped & Debarker
Hillcrest Manufacturing Co., Inc., High Point, Pressboard Clipboards
Pressley E. Brown Lumber Co., North Wilkesboro, Finished Lumber
Creger & Ssons Woodturning Co., Lenoir, Wood Turnings
Carolina Wood Products, Dublin, Wood Products
East Coast Land & Timber Co., Inc., Goldsboro, Rough and Finished Lumber
Ramseur Building Supply Co., Ramseur, Building Material—Millwork
United Products, Inc., Asheboro, Wood Parts for Textile Machinery
Cherryville Products Corp., Cherryville, Sash and Door Products
Hardwood Dimensions, Inc., Vanceboro, Hardwood
Southern Metals & Plastics Mfg. Co., Beulaville, Pre-Hung Doors, Kitchen Cabinets
Precision Woodworks, Inc., Charlotte, Cabinet Making
Williams Lumber Co., Inc., Mackeys, Hardwood Lumber
Madison Crafts, Inc., Marshall, Ladder Back Chairs, Baseball Bats, Etc.
Albemarle Plywood, Inc., Edenton, Plywood Manufacturing
Anson Pallet Company, Ansonville, Pallets, Dimension Stock, Etc.
Vestal M. Surratt, Oxford, Debarker and Finished Lumber

Furniture & Fixtures

Columbus Venetian Blind Mfg. Co., Tabor City, Venetian Blinds
Futorian Stratford Furniture Co., Inc., Rocky Mount, Living Room Furniture
Hatzi Furniture Co., High Point, Upholstered Living Room Chairs
National Springs Corp.—Plant 2, High Point, Mattress Spring Units
DeKor Manufacturing Co., High Point, Sofa Beds
Superior Chair, Inc., Maiden, Upholstered Furniture
Legend Furniture, Inc., North Wilkesboro, Furniture and Accessories
Mastercrafts of Hickory, Inc., Hickory, Upholstered Furniture
Selig Manufacturing Co., Inc., Siler City, Upholstered Danish Furniture
Acme Furniture Company, Hickory, Upholstered Living Room Furniture
Eastern Furniture Co., High Point, Upholstered Living Room Furniture
Stylette Furniture Co., High Point, Upholstered Living Room Furniture
Brandon Furniture Co., Lenoir, Upholstered Chairs and Sofas
Peak Furniture Corporation, Lincolnton, Furniture
Kayln, Inc., High Point, Living Room Furniture
Marspring Corporation, High Point, Patented Spring Unit (Marflex)
Sanford Furniture Co., Sanford, Decorative Chests
Vogue Manufacturing Co., Inc., Dunn, Upholstered Living Room Furniture
Bruington Furniture, Inc., Hickory, Upholstered Furniture
Cox Brothers, Inc., Tabor City, Furniture and Related Products
Welco Furniture, Inc., Thomasville, Occasional Tables, and Doll Beds an Pianos

Paper and Allied Products

The Baxter Corporation, Shelby, Jacquard Cards, Comber Boards, Etc.
The Real Reel Corporation, Salisbury, Corrugated Board Textile Reels
Hamco, Inc., Hickory, Special Paper Rolls (Cash Register, Etc.)
Seaboard Folding Box Co., Tarboro, Folding Boxes
Trivett Brothers Box Co., High Point, Cardboard Boxes (Hosiery)
Montgomery Paper Box Co., High Point, Cardboard Boxes (Hosiery, Etc.)
Cleveland Container Co., Greensboro, Spiral Wound Paper Tubes

Printing and Publishing

Graphic Arts Company, Charlotte, Offset Printing
B-B-S Studios, Inc., High Point, Furniture Catalogs, Sales Pieces, Etc.
Computer Business Forms Co., Greensboro, Continuous Multi-Copy Printed Forms
Mike Roberts Color Productions, Inc., Durham, Brochures, Maps, Calenders, Etc.

Chemicals and Allied Products

Dixon-Southern Chemicals, Inc., Plymouth, Corn Starch
National Polychemicals, Inc., Conway, Synthetic Resins
Union Carbide Chemicals Co.—Div. of Union Carbide Corp., Clayton, Biological Research Lab for the Development of Agricultural Chemicals
Welding Gas Products Co., Enka, Industrial Gases
Resi-Chem Corporation, Lenoir, Resins and Adhesives
Niagra Chemical Division—Food Machinery & Chemical Corp., Ayden, Pesticides and Fungicides
Bo-Jo Chemical Co., Charlotte, Janitorial Supplies
Linen White Manufacturing Co., Clinton, Bleach
Sun Chemical Co., Apex, Mixing of Printing Inks
Norwood Fertilizer Co., Inc., Norwood, Liquid Fertilizer
Industrial Processing Chemicals, Inc., Charlotte, Soap
Summit Products, Inc., Charlotte, Leak Detecting Fluids
Olympic Chemical Company, Greensboro, Polyurethane Foam
Reeves Brothers, Inc., Cornelius, Foam Products, Fiber
E-Z Battery Cleaner Co., Charlotte, Manufacture Battery Cleaners
W. F. Fancourt Co., Greensboro, Textile Finishing Chemicals
Hickory Springs Manufacturing Co., Hickory, Polyether Foam

Products of Petroleum & Coal

Asphalt Driveways, Inc., (Finger) Albemarle, Hot Mix Asphalt
Explosive Supply Co., Spruce Pine, Liquid Asphalt
Henderson Asphalt & Paving Corp., Henderson, Asphalt—Plant Mix

Stone, Clay and Glass

North Carolina Products Corp., New Bern, Pre-Stressed Concrete
Concrete Products of Asheville, Asheville, Decorative Blocks, Split Stone, Cement Furniture & Drain Tile
McLendon, Inc., Albemarle, Ready Mixed Concrete
Vulcan Materials Co., Inc., Winston-Salem, Highway Base Stone (421 Quarry)
Durham Ready Mixed Concrete Supply Company, Inc., Durham, Ready Mixed Concrete

Superior Stone Co.—Div. of American-Marietta Company, Statesville, Crushed Stone
Ideal Cement Co., Wilmington, Cement
Builders Supply & Lumber Co., Murphy, Ready Mixed Concrete
Concrete Materials of Waynesville, Inc., Waynesville, Ready Mixed Concrete
Rutland Fire Clay Co., Gastonia, Caulking, Plaster Patching, Etc.
Southern Mica Co. of N. C., Inc., Spruce Pine, Mica Reclaiming

Primary Metals

Carolina Aluminum Co., Inc., Winton, Aluminum Extrusions
Southern Die Casting & Engineering, High Point, Zinc & Aluminum Castings
Crown Aluminum Industries Corp., Roxboro, Hot Rolling Mill for Aluminum
Florida Steel Corporation, Charlotte, Re-Inforcing Bars
National Rolling Co., Charlotte, Lead Sheets

Fabricated Metal

Aluminum Products & Manufacturing Co., Statesville, Aluminum Products—Shades, Etc.
Meng Aluminum Co., High Point, Aluminum Awnings
Roofmaster Manufacturing Corp., Winston-Salem, Roofing Nails
Truitt Metal Fabricators, Inc., Colfax, Fabricated Heavy Plate Work
Cuyahoga Products, Inc., Charlotte, Automotive Springs
Duplicon Corporation, Greensboro, Metal Stampings, Machine Parts
Catawba Sheet Metal Co., Inc., Hickory, Sheet Metal
Ward Steel Co., Greensboro, Cutting, Slitting to Specifications

Machinery (Except Electrical)

American Saw & Tool Co., Lincolnton, Metal Taps and Dies
Fletcher Inds., Turner Division, Statesville, Narrow Fabric Textile Looms
Fram-Aire, Inc., Henderson, Heating & Air Conditioning Filters
Watson-Williams Manufacturing Co., Pinebluff, Shuttles for Textile Machinery, Etc.
Weiss Machine Co., Brevard, Cusom Machine Work
Pleuger Submersible Pumps, Inc., Statesville, Submersible Pumps for Deep Wells
Atkins Saw Div., Borg-Warner Corp., Greensboro, Saws
Allen Machine Co., Asheboro, Parts for Hosiery Machines

Electrical Machinery, Equipment & Supplies

Mac-Netic Tape Co., High Point, Magnetic Instrumentation Tapes
Mallory Battery Co., Lexington, Mercury Batteries
Corning Glass Works, Raleigh, Electrical Capacitors
Fieldcrest Mills, Inc., Smithfield, Electric Blankets
Glamour Products, Inc., Charlotte, Sun Lamps
Superior Cable Corporation, Rocky Mount, Communications Electronic and Control Cables and Wires
Cox Rebuilders, Inc., Greenville, Armatures, Generators, Bond Brake Shoes
Square D Company, Asheville, Elec. Control & Distribution Prods.

Transportation Equipment

Carolina Mobile Homes, Inc., Rockwell, Mobile Homes
Superior Fiberglass Products Co., Forest City, Boats
Meteor Fun Karts, Inc., Burlington, Gocarts
C & L Fibreglass Products Co., High Point, Fibreglass Boats

Miscellaneous

Statesville Stencil Co., Statesville, Screen Stencil; Silk, Dacron, Etc.
Plastics Development Corporation, Charlotte, Fibreglass Small Boats, Tanks, Etc.
Shearwater, Inc., Charlotte, Molds for Fibreglass Boats
Howard Enterprises, Inc., Wilson, Glo-Cap Valve Caps
J & G Paper Pad Co., High Point, Laminated Cellulose Padding
Jule Manufacturing Company, Charlotte, Janitorial Supplies
Marsh-Armfield of Newton, Inc., Newton, Fabricate Foam Rubber
Neatwear Hosiery Company, Burlington, Finishing, Boxing & Shipping Men's Hose
Zarn, Inc., Reidsville, Plastic Bottles (Blow Molded)
Jumping Jacks, Inc., Jacksonville, Trampolines & Other Athletic Equip.
Universal Supplies, Charlotte, Janitorial Supplies
Wood Conversion Co., Hickory, Rubberized Wood Cellulose for Furniture Padding
High Point Sample Books, High Point, Upholstery Fabrics Sample Books, Etc.
Melbestos Products Corp., Sanford, Decorated Wall Tile

HOSPITAL CARE ASSOCIATION

—Continued from page 32—

Graham; Dr. Alfred T. Hamilton, Raleigh; and Dr. Charles T. Wilkinson, Wake Forest.

Mobile Enrollment Office

For the past two years a Hospital Care mobile enrollment office has toured small communities throughout the state, affording an opportunity for those who do not have Blue Cross to enroll on a direct nongroup contract.

North Carolina employers have found in the Durham Blue Cross Plan a workable, reliable method of prepaying hospital and medical expense for employees and their families. Approximately 3,500 industrial and business firms in the state are now enrolled. These groups range in size from five employees (the minimum group) to large industries such as Liggett & Myers Tobacco Company which have several thousand employees.

About 54 per cent of all Hospital Care members are enrolled through organized groups. The rest are covered by nongroup contracts and pay their dues by mail or to collectors who call at their homes each week.

Range of Services

The range of services now offered by the Association is as follows:

a. A Comprehensive certificate on a bed and board allowance up to $20 a day, with certificates providing either 70, 120 or 365 days of care per confinement.
b. Five surgical schedules ranging up to a $300 maximum (97 per cent of all members have both hospital and surgical benefits).
c. Hospital-medical program of benefits covering a full schedule of in-hospital medical payments.
d. Endorsements to basic certificates which include guarantee of semi-private accommodations, out-patient x-ray and laboratory, oral surgery, out-patient care in physician's offices, extended benefits and major medical ($10,000 maximum) and dread disaease ($7,500 maximum).

The Association also offers a Senior Citizen Plan. This Plan, introduced in 1959 to meet the need for health coverage for the aged, was the first Blue Cross contract offered in North Carolina on a nongroup basis to citizens 65 and over.

Financial Condition

The financial condition of the Association as of December 31, 1960 was as follows:

Assets	$6,343,383.37
Liabilities	2,746,401.30
Reserve	3,596,982.07

The reserve fund is adequate to meet the financial requirements of the national Blue Cross Association and the North Carolina Department of Insurance. The Association operates under the supervision of the Insurance Department by authority of Chapter 58 of the General Statutes of the State of North Carolina.

As it nears its 28th year of service to the public, the hospitals, and the doctors of North Carolina, Hospital Care is continuing to meet its basic objectives of providing on a non-profit basis prepaid hospitalization and medical-surgical care within the financial reach of all, with direct payments to hospitals and physicians for their services.

"Hospital Care Association has always accepted the responsibility of more and better protection for its members," according to Executive Vice President Herndon. "As hospital costs have increased, Hospital Care benefits have increased accordingly. The Blue Cross precept of service benefits has been, and will continue to be, our guiding objective at all times."

DURHAM LIFE

—Continued from page 42—

sential nature of the life insurance industry and we look forward to an even greater area of service to our people in the years to come. Life insurance offers a great many unique benefits and advantages in strengthening the self-reliance of our citizens. We at Durham Life are dedicated to a greater and greater effort each year in living up to our Company slogan, "We Protect The Family'."

HOSPITAL SAVINGS

—Continued from page 44—

Consistently, year after year, Hospital Savings leads all competing companies in number of persons protected and in total claims paid. At the helm of this extensive operation is E. B. Crawford, executive vice president, who guided the Association out of its trials and tribulations of late infancy, and is an outstanding figure in the North Carolina health field. The Association is governed by a board of twelve trustees—four hospital administrators, four doctors and four laymen—headed by Joseph C. Eagles, Jr., the third successor to the late Dr. Manning, who was the Association's first president. Mr. Eagles, a tobacco warehouseman and attorney in Wilson, has long been prominent in government and legislative affairs of the state. As a businessman, he understands fully the quiet revolution effected by Hospital Savings in the field of health affairs—for Hospital Saving is considered a vital feature of employee benefits by more than 5,900 North Carolina employers.

Hospital Savings employee groups range in size from 5 persons—perhaps your local filling station and garage—to thousands, such as Western Electric Company, E. I. du Pont de Nemours Co., Inc.

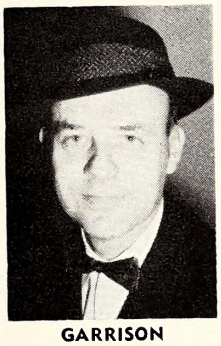
. . . and it all started with a letter that Dr. Brownsberger wrote to Dr. Manning!

ESC FIGURES SHOW HEAVY IMPACT ON ECONOMY

By Dave Garrison
Supvr. Reports and Analyses
Dept. of Research & Statistics

North Carolina's drive for new industry is having a heavy impact on the State's economy. This is shown by information presently being compiled by the Employment Security Commission's Bureau of Research and Statistics.

Indications are that from 1955 through 1960 more than 40,000 persons secured employment in new manufacturing plants which had located throughout the State in that period. This does not include expansion of plants which existed prior to 1955.


GARRISON

For about a year and a half, the Bureau has been engaged in a special study which measures not only the employment gains of new manufacturing firms on the State, but the effects of plant closings as well. The study embraces all manufacturing industries, except lumber and wood products, which was excluded purposely because of its high incidence of business births and deaths.

Preliminary analysis of information collected thus far indicates North Carolina gained approximately 850 new manufacturing plants during the five-year period from 1955 through 1959. These 850 plants employed almost 32,000 workers at the end of 1959 and many of the more recent newcomers were still expanding at the close of the study period.

Research shows that 120 of the 850 new plants which began operation during the 1955-1959 period failed to make a go of it, and had ceased production operations by the end of 1959. These, for the most part, were small companies which collectively employed only about 1,700 persons at their maximum employment levels.

Of greater significance, however, was the loss of about 10,600 jobs in some 275 manufacturing plants which had operated prior to 1955, but which closed permanently during the 1955-1959 period.

Had it not been for the impact on employment reflected by the establishment of the new firms, more than 21,000 Tar Heel workers would have had to choose between either leaving the State to seek work, or remaining to be counted among the unemployed during 1959.

Final and more complete results of the study will be released in the near future and subsequent reports will be developed annually thereafter.

Counties registering no manufacturing industry births 1955-1959.

Alleghany	Franklin	Jones	Pamlico
Bertie	Gates	Macon	Stokes
Camden	Graham	McDowell	Tyrrell
Currituck	Hoke	Northampton	(Total 15)

Counties registering no manufacturing industry deaths 1955-1959.

Alleghany*	Clay	Greene	Pamlico*
Bertie*	Currituck*	Haywood	Stokes*
Brunswick	Dare	Hertford	Swain
Camden*	Edgecombe	Hoke*	Tyrrell*
Caswell	Gates*	Jones*	Warren
Chatham	Graham*	Madison	Washington
Chowan	Granville	Onslow	Watauga (Total 28)

*No industry births 1955-1959.

Business Births of Manufacturing Firms in North Carolina 1955-1959

County	Total Number of Firms	1955 Employment	1956 Employment	1957 Employment	1958 Employment	1959 Employment
Statewide Summary	730	2654	7291	13312	19578	31206
Alamance	31	74	256	393	520	684
Alexander	3	—	10	9	9	211
Anson	4	—	5	45	69	102
Ashe	2	—	—	157	212	458
Avery	1	—	—	6	20	27
Beaufort	3	—	5	49	75	86
Bladen	4	125	90	180	203	182
Brunswick	2	—	—	8	8	12
Buncombe	22	55	276	460	551	843
Burke	12	31	38	69	102	246
Cabarrus	8	79	162	222	292	570
Caldwell	7	—	—	28	130	193
Carteret	3	—	65	455	477	351
Caswell	2	—	—	4	17	46
Catawba	59	101	408	625	1059	1489
Chatham	4	55	202	196	205	257
Cherokee	5	67	136	135	109	150
Chowan	3	3	3	8	8	23
Clay	1	—	3	7	15	15
Cleveland	14	98	165	437	589	1492
Columbus	8	27	111	162	180	556
Craven	2	—	31	35	53	61
Cumberland	6	9	31	25	30	33
Dare	1	—	—	—	19	20
Davidson	21	43	322	479	603	857
Davie	3	22	78	173	164	266
Duplin	3	7	17	25	67	81
Durham	10	18	29	89	197	287
Edgecombe	4	—	—	23	32	97
Forsyth	11	6	10	133	149	206
Gaston	36	16	143	590	1098	1599
Granville	2	36	47	57	55	60
Greene	1	—	—	—	—	3
Guilford	82	110	394	813	1251	1933
Halifax	2	—	—	34	39	87
Harnett	4	—	6	16	23	55
Haywood	3	—	32	78	94	76
Henderson	4	300	840	770	609	652
Hertford	4	179	264	294	320	441
Hyde	1	—	—	—	4	4
Iredell	19	117	318	559	877	1285
Jackson	2	—	—	26	23	42
Johnston	8	85	160	184	471	631
Lee	1	3	8	26	25	33
Lenoir	4	—	3	13	8	32

—Continued on next page—

Business Births of Manufacturing Firms (Continued)

County	Total Number of Firms	1955 Employment	1956 Employment	1957 Employment	1958 Employment	1959 Employment
Lincoln	6	5	10	12	15	108
Madison	1	—	—	—	—	12
Martin	3	—	—	272	452	338
Mecklenburg	75	289	508	642	976	1554
Mitchell	6	50	209	225	278	393
Montgomery	3	23	31	39	70	55
Moore	8	—	3	316	301	393
Nash	7	17	52	161	262	325
New Hanover	12	—	13	152	392	656
Onslow	2	—	8	7	12	17
Orange	2	—	—	—	68	161
Pasquotank	3	330	202	235	216	240
Pender	3	2	3	3	9	35
Perquimans	1	—	4	4	4	7
Person	3	—	—	—	53	249
Pitt	8	2	14	13	37	80
Polk	1	—	—	12	33	36
Randolph	25	77	462	822	1061	1535
Richmond	4	—	—	10	16	91
Robeson	5	—	27	139	321	484
Rockingham	6	26	46	156	229	272
Rowan	17	15	38	119	229	320
Rutherford	1	—	—	128	209	262
Sampson	10	113	161	234	473	902
Scotland	2	—	—	—	—	483
Stanly	6	—	372	360	430	651
Surry	7	—	1	379	507	909
Swain	3	—	22	34	36	158
Transylvania	2	—	—	—	246	323
Union	14	4	16	104	277	643
Vance	7	35	76	116	150	480
Wake	17	8	18	84	181	426
Warren	1	—	13	62	86	283
Washington	1	—	—	—	7	8
Watauga	4	3	16	88	94	193
Wayne	6	—	4	16	106	126
Wilkes	6	27	237	278	315	327
Wilson	5	—	8	39	89	449
Yadkin	3	41	48	56	79	95
Yancey	2	—	1	98	198	293

Deaths of Established Mfg. Firms Born 1955-1959 in North Carolina

County	Number Of Firms	Actual Employment 1955	Actual Employment 1956	Actual Employment 1957	Actual Employment 1958	Actual Employment 1959
State Summary	120	710	1356	1720	1297	653
Alamance	3	—	7	28	24	12
Alexander	1	—	13	—	—	—
Anson	1	21	36	—	—	—
Bladen	1	4	5	3	—	—
Buncombe	5	10	90	20	49	22
Burke	2	—	8	10	22	31
Cabarrus	2	19	26	20	6	—
Caldwell	2	—	33	60	—	—
Catawba	8	70	108	155	71	39
Columbus	1	—	35	214	92	—
Craven	2	—	91	91	79	16
Davidson	5	50	49	30	70	30
Forsyth	4	23	68	54	18	7
Gaston	7	32	34	78	63	20
Guilford	13	35	103	128	105	44

—Continued on next page—

WINSTON MUTUAL

—Continued from page 46—

monthly basis. The privileges and cash and loan values are the same.

Industrial Policy Contracts

The following Policy Plans are issued on the Industrial Basis:

1) Whole Life
2) 15 Year Payment Life
3) 20 Year Payment Life
4) 15 Year Endowment
5) 20 Year Endowment
6) Health and Accident
7) Hospitalization (Individual and Family Contracts)
8) Whole Family Plan

Reinsurance

The Company has a Reinsurance Contract with Republic National Insurance Company of Dallas, Texas. Through this channel it is able to issue a much larger amount of insurance on one life than it could without this contract. The excess over the Winston Mutual's maximum limit of retention is reinsured by the Republic National.

The Company has seven Branch Offices. These are located in Winston-Salem, Greensboro, Charlotte, Raleigh, Fayetteville, Wilmington, and Rocky Mount. Each Branch Office has a manager and an assistant, and a cashier-clerk and an assistant. There is an average of fourteen gents per branch or district. These Branch Offices serve as clearing houses for all field reports. Here reports are received from field representatives, compiled and sent to the Home Office. All the Branch Offices are well equipped and are comfortable places for the agents and managers to work and to have training sessions and agency meetings.

Investments

A large and important part of the assets of the Company is derived from investments other than life insurance. Mortgage Loans comprise the greatest other single source of income. At the end of 1960 the Company had 688 loans secured by first liens on real estate located in the State of North Carolina. These amount to a total of $2,376,001.31 invested.

Stocks and Bonds comprise the next greatest source of income. Stocks owned by the Company December 31, 1959 represented 2.02% of the net admitted assets. Bonds owned by the Company are U. S. Government, States, and Public Utilities.

Printing Department

The Company has its own Printing Department with the latest in equipment. All printing, photostating, mimeographing, etc. is done right in the Home Office. All Company forms, except those required on IBM machines, are done in the Printing Department.

—See Winston Mutual, page 61—

Deaths of Established Mfg. Firms Born 1955-1959 (Continued)

County	Number Of Firms	Actual Employment 1955	Actual Employment 1956	Actual Employment 1957	Actual Employment 1958	Actual Employment 1959
Halifax	2	46	27	2	—	—
Harnett	1	15	15	—	—	—
Henderson	1	5	6	7	2	—
Iredell	7	62	91	89	74	75
Johnston	2	7	9	12	13	16
Lenoir	1	—	—	70	55	—
Lincoln	1	—	—	—	37	29
Macon	1	—	—	—	17	5
Mecklenburg	13	45	72	95	80	50
Mitchell	3	—	7	25	13	—
Montgomery	1	—	—	—	30	62
New Hanover	1	10	7	14	10	—
Northampton	1	75	—	—	—	—
Orange	1	54	71	84	—	—
Person	1	45	61	25	—	—
Pitt	2	4	4	4	4	10
Polk	1	10	69	84	58	17
Randolph	4	1	88	120	105	10
Robeson	2	—	—	6	10	31
Rockingham	2	—	—	8	19	13
Rowan	3	2	15	23	38	36
Rutherford	1	—	10	30	—	—
Sampson	1	—	—	—	53	50
Scotland	1	—	6	6	5	4
Stanly	2	21	22	44	50	10
Surry	2	10	15	22	—	—
Union	1	—	—	5	7	—
Wayne	2	—	14	40	8	8
Wilkes	2	34	41	14	10	6

Deaths of Manufacturing Firms Which Were Established Prior to 1955 and Which Deceased 1955-1959

County	Number of Firms	Employees 1954	Employees 1955	Employees 1956	Employees 1957	Employees 1958	Employees 1959
Statewide Summary	276	11637	10734	8004	4671	2207	1016
Alamance	5	163	217	149	9	7	6
Alexander	2	30	21	20	8	—	—
Anson	1	27	22	22	13	—	—
Ashe	2	30	37	43	6	5	4
Avery	1	77	26	27	—	—	—
Beaufort	2	175	331	353	109	113	10
Buncombe	9	232	226	30	7	2	—
Burke	3	79	104	39	26	38	—
Cabarrus	4	88	138	201	64	3	—
Caldwell	2	19	16	11	12	10	1
Carteret	1	13	5	—	—	—	—
Catawba	22	576	624	384	422	244	119
Cherokee	2	46	46	37	25	5	—
Cleveland	5	43	53	68	46	14	10
Columbus	1	22	23	20	18	11	12
Cumberland	7	423	417	105	103	70	35
Davidson	8	274	282	143	103	103	25
Davie	2	46	8	6	5	—	—
Duplin	1	210	1	—	—	—	—
Durham	6	137	163	103	105	29	25
Forsyth	11	258	280	255	192	77	10
Franklin	1	13	13	12	—	—	—
Gaston	13	432	447	359	242	168	153
Guilford	36	1258	1303	1127	714	464	201
Halifax	1	41	12	8	—	—	—
Henderson	4	59	77	98	76	1	—

—Continued on next page—

WINSTON MUTUAL

—Continued from page 60—

IBM

The efficient handling of the IBM machinery has saved the Company employees much time and energy in processing applications, making policies, compiling data for the hundreds of reports required for the Company, the Government, and State. The sorting device alone has meant many work hours saved.

Employment and Employee Security

The Company employs on the average of 130 people in the State of North Carolina and has a total yearly payroll of approximately $400,000.00.

The Board of Directors adopted a Pension Plan, effective January 1, 1953, wherein an employee may retire at age 65 or upon total disability. The annual retirement rate is one per cent of the aggregate compensation during the period of creditable service with the company and at no cost to the employee. The cost of the plan is borne by the Company exclusively.

Under a Group Life Insurance Plan, employees may, on a contributory basis, acquire Life Insurance with disability benefits. The amount of insurance available to each employee is based on job classification.

As a reward for continuous service, the Company gives its employees Service Pins. The awards are given on a graded level according to years of service. Those persons having served the maximum number of years receive a pin inset with a four point diamond.

Each employee is granted yearly, a vacation with pay depending on job classification and years of service.

A cafeteria for use by all employees in the Winston-Salem area is furnished to serve lunches to those desiring that service.

HISTORY OF CHARTER

—Continued from page 53—

of Art and the Museum of Natural History.

The completion of the proposed Carolina Charter-Confederate Memorial Building as one of the structures in the complex contemplated in the foregoing recommendation would be a proper climax to the activities of the Carolina Charter Tercentenary. Such a building would symbolize for the citizens of North Carolina the history and traditions which have made it the great commonwealth it is. It would keep present and future generations of our citizens aware of the roots from which they spring, and in so doing would nurture those civic virtues of courage, determination and sense of purpose so much in evidence among the early settlers of the colony.

Deaths of Manufacturing Firms Established Prior to 1955 (Continued)

County	Number Of Firms	Employees 1954	Employees 1955	Employees 1956	Employees 1957	Employees 1958	Employees 1959
Hyde	1	—	1	—	—	—	—
Iredell	6	264	323	346	218	164	91
Jackson	2	116	106	105	100	3	—
Johnston	4	342	305	278	11	—	—
Lee	1	365	5	—	—	—	—
Lenoir	1	30	72	3	—	—	—
Lincoln	1	24	33	28	24	—	—
Macon	1	4	4	9	4	—	—
Martin	2	172	179	161	2	—	—
McDowell	6	189	167	157	121	53	18
Mecklenburg	25	1811	1264	1062	525	129	35
Mitchell	3	123	91	82	16	3	—
Moore	2	4	9	4	10	8	1
Nash	1	24	20	24	18	21	11
New Hanover	4	23	25	26	17	14	—
Northampton	1	12	17	16	15	9	—
Pasquotank	2	8	8	7	—	—	—
Pender	1	6	6	9	—	—	—
Person	2	127	109	112	96	10	10
Pitt	1	42	39	24	—	—	—
Polk	2	87	75	75	69	57	57
Randolph	15	998	978	444	282	51	32
Richmond County	1	34	30	—	—	—	—
Robeson	4	38	53	37	41	43	27
Rockingham	1	4	17	4	4	2	—
Rowan	3	94	79	46	32	—	—
Rutherford	1	76	83	66	62	2	—
Stanly	7	327	276	249	48	47	41
Surry	6	288	263	212	108	30	25
Transylvania	1	56	—	—	—	—	—
Union	2	105	110	88	87	3	3
Vance	1	52	53	72	38	57	44
Wake	4	188	210	229	183	132	7
Wayne	3	57	45	27	15	5	3
Wilkes	2	346	345	338	211	—	—
Wilson	2	14	14	17	7	—	—
Yadkin	1	7	6	9	2	—	—
Yancey	1	409	422	8	—	—	—

MANUFACTURING BUSINESS BIRTHS 1960

Firms Expecting to Have 100 or More Workers When Fully Staffed

Firm Name, Location and Industry

Angier Knitting Corp., Inc., Angier—Apparel
Apex Manufacturing Co., Apex—Apparel
Bendix-Westinghouse Co., Salisbury—Automotive Air Brakes
Burlington Knitwear, Inc., Burlington—Textiles
C & R, Inc., Bessemer City—Apparel
Carefree Lingerie, High Point—Apparel
Carolina Textiles, Oakboro—Textiles
Carteret Industries, Inc., Newport—Apparel
Corning Glass Work, Raleigh—Elect. Components
Creative Textiles, Charlotte—Silk Screening Designs on Towels
Creedmoor Manufacturing Co., Creedmoor—Apparel
Cuyahoga Products Corp., Charlotte—Spring and Metal Stamping
Dallas Sports Knitting Co., Dallas—Apparel
Debutant Garment, Inc., Weldon—Apparel
Dixieland Apparel Corp., Bessemer City—Apparel
Dixon Corp., Monroe—Textile Equip.
Goblet Veneer, Inc., Tarboro—Plywood
Highway Trailer Industries, Salisbury—Mfg. Truck Trailers
June Day Mfg. Co., Williamston—Apparel
Kings Point Mfg. Co., Fayetteville—Apparel
Leisure Lads, Inc., Concord—Apparel
Mallory Battery Co., Lexington—Batteries
Marspring Corp., High Point—Furn. Cushions
Masland Duraleather Co., Mocksville—Vinyl Uphol. & Wall Covering
Milburn Mills, Inc., Durham—Textiles
Montgomery Paper Co., High Point—Cardboard Boxes
Morganton Finishing Co., Morganton—Textiles
Pembroke Manufacturing Co., Pembroke—Apparel
Pleuger Submersible Pump Co., Statesville—Sub. Pumps
Rexall Drug Co., Mooresville—Bag Plant
Rose Hill Poultry Corp., Rose Hill—Food
Selig Mfg. Co. of Mass., Siler City—Furniture
Southern Die Casting & Engineering, High Point—Zinc & Alum Casting
Square D Company, Asheville—Elect. Control Equip.
St. Louis Cap Co., Inc., Glen Alphine—Leather and Cloth Caps
Tabor City Foods, Inc., Tabor City—Food
Triangle Brick Co.—Brick and Tile
Wallace Garment Co., Wallace—Apparel
Washington Mills Co., Dobson—Apparel
Watson-Williams Mfg. Co., Pine Bluff—Shuttles for Weaving Mach.
Westberry Knitting Co., Charlotte—Apparel
Whitakers Garment Co., Whitakers—Apparel
Proctor and Swartz, Lexington—Machinery
American Saw and Tool Co., Lincolnton—Machinery
Fram-Aire, Henderson—Air Cond. Filters
Washington Mills, Marion—Textiles
Shelby Seamless Hosiery, Shelby—Hosiery

Firm Name, Location and Industry

Dunn Meat Packers, Inc., Dunn—Food
Futorian-Stratford Furn. Co., Rocky Mount—Furniture
Housatonic Corrugated Box Co., Newton—Paper
Melville Shoe Co., Wilkesboro—Shoes
Onslow Garment Industry, Jacksonville—Apparel
Owens-Illinois Glass Co., Durham—Molds for Glass Cont.
Reasor Chemical Corp., Wilmington—Chemical Extracting
Reliable Mills, Inc., Gastonia—Apparel
Shuford Building Plant, Conover—Bias Buffing
SKF Industries, Inc., Asheville—Bearings
Sutton Park Knitting Co., Monroe—Apparel
Truitt Metal Fabricators, Inc., Colfax—Fab. Metals
Wake Garment Co., Wendell—Apparel
Willard Industries, Graham—Bronze and Alum. Castings

BUSINESS DEATHS 1960-1961

Firm Name, Location and Industry

Full Knit Hosiery Mills, Inc., Burlington—Hosiery
Superior Yarn Mills, Inc., Long Island—Textiles
Wallbrook Tobacco Co., Goldsboro—Tobacco Processing
Universal TV Furniture Co., High Point—Furniture
Klopman Mills, High Point—Textiles
Hanes Chair and Furniture Mfg. Co., Salisbury—Furniture
Craftspun Mills, Kings Mountain—Textiles
American Thread Co., Troutman—Textiles
Mengel Co. (Wood Products Div.), Winston-Salem—Wood Box
Reliable Mfg. Co., High Point—Furniture

Compiled by Employment Security Commission of North Carolina, Bureau of Research and Statistics, Raleigh, North Carolina

EVENING COLLEGE

—Continued from page 48—

whose work falls into three classifications. Public school needs are met by the Bureaus of School Relations, School Tests and Materials, and Audio-Visual Instruction. Formal, organized classes for college credit are taught by the Bureau of Correspondence and Class Instruction. Valuable advice and help is given to various agencies throughout the state by the Bureau of Lectures, Short Courses, and Conferences.

One of the latest indications of adults' interest in a continuing education is to be found in the Evening College at the University campus. Extension Division officials are watching with interest what may very well become a booming educational program for college credit. The Evening College offers a chance to earn as much as one full year toward a degree at most college or universities around the country. What is more important, this evening class opportunity allows an adult with job and family responsibilities to attend University classes taught by University professors for University of North Carolina extension credit.

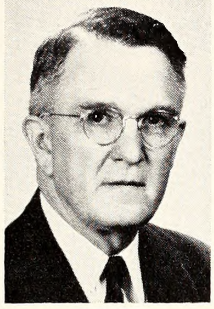
A more recent service of the Extension Division that is directed toward personnel in the Employment Security Commission is that of acting as consultant to a Special Committee on Education of the North Carolina Chapter of IAPES. The committee, appointed by President Howard Winston, Area Supervisor in the Charlotte area, has as its objective the recommendation of an educational program for the development of personnel in Employment Security. Its members are Mr. Louis Berini, Chairman, Manager of the Durham office, Mrs. Maude Sprinkle, Evaluation and Training Specialist, and Mr. Tom Adams, Administrative Assistant in the state office. Sometime in the month of February, members of IAPES will be receiving a questionnaire designed at determining

—See Evening College, page 64—

N. C. SHOWS TREMENDOUS BANKING GAINS IN LAST DECADE

By Ben R. Roberts
Commissioner of Banks

The past decade has shown a tremendous increase in both deposits and resources in North Carolina banks. Deposits since 1950 have increased from $1,389,671,715.10 to $1,963,289,690.64, with resources having increased from $1,515,314,080.32 to $2,255,048,628.36.


ROBERTS

At the present time, the State Banking Commission has eleven members, two of whom are ex-officio and serve for the duration of their term of office. Nine members are appointed by the Governor to serve a period of four years. Our present Banking Commission is comprised of the following:

Ex-officio—Edwin Gill, State Treasurer, Chairman T. Wade Bruton, Attorney General

Appointed—Edwin P. Brown, Murfreesboro, Edwin Duncan, North Wilkesboro, Don S. Elias, Asheville, E. D. Gaskins, Monroe, Charles M. Johnson, Raleigh, J. Van Lindley, Greensboro, Charles M. Reeves, Jr., Sanford, John W. Spears, Secretary, Lillington, John P. Stedman, Lumberton

Five of the appointees are supposed to represent the banks and four are supposed to represent the public. This Commission is a governing body with authority to approve or disapprove applications for new banks as well as branches, regulate problems arising over which no measure of control has been formulated, and supervise the policies and activities of the State Banking Department. Unless some matter of an emergency nature requires special called meetings, the Commission meets quarterly—in January, April, July, and October.

Over the period of ten years, most applications have concerned branches and very few new banks have been approved. The great value of a branch is that it can bring banking facilities into a small community and, if its operation proves unsuccessful, will not jeopardize the solvency of its main office. It is a simple procedure to discontinue an unsuccessful branch facility, but quite a project to liquidate an insolvent unit bank. As of December 31, 1960, we had 147 banks with 378 branches.

The Banking Department is now operating with twenty bank examiners, which men make periodic examinations of banks and small loan companies. The latter work is increasing steadily and, no doubt, it will be necessary to employ additional examiners to handle this workload. The small loan companies are more or less under the supervision of Frank L. Harrelson, Deputy Commissioner of Banks, who has made a very thorough study of consumer credit and is doing an outstanding job in this field.

The 1945 Legislature gave this Department authority to supervise the small loan companies which have grown by leaps and bounds since that time. We currently have 607 small loan companies in operation within the State and have applications on file for approximately 45 more. A bill has been recently introduced in the Legislature, prepared jointly by the Commissioner of Banks and Attorney General's offices and sponsored by the State Banking Commission, which will give us better supervision over these companies and, before issuing permits authorizing additional offices to do business, they would first have to show a need and necessity in the area such office would serve. A great many cities have entirely too many small loan companies. If this bill is enacted into law, we will have the right to deny a new small loan company the authority to open in any town where we feel there is no need.

In 1958, there was a regulation promulated by the State Banking Commission that we feel has done much toward eliminating the problem of shortages and defalcations in banks. Investigations of such unfortunate, and costly, incidents indicated that wherein they occurred each was occasioned by officers or employees who had not made a practice of taking vacations. Therefore, the Banking Commission issed an order that all officers and employees of State Banks must be away from their banks at least one week, or six consecutive working days, each year. This has, no doubt, imposed a hardship on banks at times; however, we feel this order to be a great deterrent to those who would engage in dishonest activities as it is very difficult to manipulate and conceal illegal withdrawals when an individual is absented from his position for as much as one week. It is a strange fact, but most of the shortages are committed by those we least suspect and in whom utmost confidence has been placed.

The past ten years have revealed a trend toward mergers of banks which I predict will continue. This has been largely due to lack of succession of management. It is essential that banks be managed by experienced and well-qualified men. They must have a broad knowledge of all facets of business and finance if a bank is to operate successfully. Banks that find themselves without a capable person to succeed its active head, particularly small banks, very often turn to merging with a larger bank as a solution. This problem is also receiving close attention by this Department.

This Department is giving more and more time to the condition of State Banks as found by the examiners. During the past three years, quite a number of banks have been eliminated from our problem-bank list. In fact, this number has been reduced from twelve to two. This has been brought about primarily by representatives of this Department meeting with the Board of Directors and bank officials of the bank concerned to outline a program which would increase the efficiency of the bank as well as make it more solvent in its operation. I believe that with this close supervision our present system of banking is sound and should make great progress in the next decade. The past year, 1960, was a most successful year, showing a substantial increase in earnings and in loan volume. The overall picture in the banking field looks very favorable for a sustained high level of operation.

N. C. Bankers Association Active in State

Since its incorporation in 1897, The North Carolina Bankers Association has been one of the leading associations in North Carolina, both in membership and effectiveness. Today its membership includes every bank in North Carolina.

Its constitution gives the reasons for the existence of the Association:

"In order to promote the general welfare and usefulness of banks and banking institutions, and to promote co-operation, together with the practical benefits to be derived from personal acquaintance and from discussions of subjects of importance in banking and commercial interests of the State of North Carolina, and especially in order to secure proper consideration of questions regarding the financial and commercial usages, customs, and laws which affect the banking interests of the entire State, and the protection against loss by crime. . ."

The key to The North Carolina Bankers Association's effectiveness perhaps is in its emphasis on the promotion of the usefulness of banks and banking institutions. Annually such efforts as Short Courses at State College, Land Judging contests, Farm Credit Conferences—to list a few of its agricultural promotions—have been described as most significant contributions to agriculture. For 16 consecutive years such activities have won the NCAB first place recognition from the American Bankers Association.

Maintaining headquarters in Raleigh, The North Carolina Bankers Association has a full-time staff which is headed by Harry Gatton, Executive Director. In addition to managing the Association, he

—See Bankers Association, page 64—

Andrews Citizens Bank and Trust Organized 1924

The Citizens Bank & Trust Company was organized in Andrews in 1924 and opened for business on October 14 of that year.

At that time there was already the long established Merchants and Manufacturers Bank operating in Andrews.

Citizens Bank & Trust Company was organized with capital stock of $15,000 and on December 31, 1925, after a little over a year's operation, had total resources of $91,348.13, capital of $15,000, no surplus, and a deficit in undivided profits of $331.38.

The Citizens Bank & Trust Company has operated continuously unrestricted since it commenced business, except during the banking holiday in 1933 declared by our late President, Franklin D. Roosevelt. For awhile during the depths of the depression the Citizens Bank & Trust Company and one other bank were the only unrestricted banks in operation in North Carolina southwest of Asheville. During the depression the Merchants and Manufacturers Bank of Andrews was forced to close its doors, as were the only two banks in Murphy, the only bank in Hayesville and the only bank in Robbinsville. Immediately after the banks closed in Murphy, the Citizens Bank & Trust Company opened in one of the bank buildings in Murphy a paying and receiving office in order to furnish banking services to the town and area and later it opened similar offices in Robbinsville and Hayesville. These paying and receiving offices were later, as the capital of the bank permitted, converted to branch banks.

In 1935 the bank sold to the Reconstruction and Finance Corporation $15,000 of preferred stock, making a total capital on December 31, 1935 of $30,000 and surplus of $11,000. In 1939 the bank repurchased the $15,000 preferred stock owned by the Reconstruction and Finance Corporation and retired it.

The December 31, 1939 statement of the bank showed total resources of $816,162.76, capital common stock of $60,000, no preferred stock, $20,000 surplus, and $15,233.82 undivided profits. The first cash dividend paid to the stockholders of the bank was on December 31, 1939, when a dividend of $3.00 was paid on each $100 par share of stock.

On December 31, 1960 the total resources of the bank were $9,935,829.17, capital stock was $200,000, surplus $300,000, undivided profits $109,028.16, and reserve for losses $222,542.10.

During the year of 1960 the bank made a total of 6,968 loans amounting to $6,287,496.81 in the three county area in the extreme southwestern corner of North Carolina that it serves.

The area served by the bank has since the early days of the depression made marked progress in all directions: new schools have been built; new churches built; children's playgrounds and recreation areas developed; many new industries have been located in the area; including a plant by the largest manufacturer of women's nylon hose in the world, manufacturers of curtains and sanitary items, a nylon throwing plant, one of the largest manufacturers of carpets, a manufacturer of metal pipe benders and strap breakers, a talc mining and manufacturing operation, and several woodworking industries. There has been developed a large, important dairy industry, the beef cattle industry has been markedly improved, and a large poultry industry producing hatching eggs for the broiler areas has been developed. The tourist industry has been greatly increased.

One of the areas greatest needs is adequate primary and secondary highways.

W. D. Whitaker, Senior Vice President and Secretary, commenced work with the bank in 1925; Percy B. Ferebee, has been President of the bank since 1926. W. Frank Forsyth is Executive Vice President in charge of the Murphy bank; J. Smith Howell is Vice President and Cashier of the Robbinsville bank; Thomas C. Day is Vice President and Cashier of the Hayesville bank; John T. Gill is Assistant Vice President and Cashier of the Murphy bank; and Mildred B. Ray is Cashier of the Andrews bank.

There are now forty-one bank employees.

N. C. BANKERS ASSO.

—Continued from page 63—

is editor and manager of **The Tarheel Banker**, its monthly publication that has the largest paid circulation of any state banking journal. A quick glance at any issue will show the significant contribution that is constantly being made by banks and bankers to the promotion of community activities and the development of North Carolina and the region.

One of the main reasons for the success of the Association is the willingness of busy bankers, representatives of all facets of the banking family in North Carolina, to take the time out to serve it by working as officers and members of committees.

The current officers of the NCBA are: President, J. Ernest Paschall, Wilson; first vice-president, C. M. Vanstory, Jr., Greensboro; second vice-president, Oscar J. Mooneyham, Sr., Forest City; treasurer, C. Winfred Shaw, Sanford; executive director, Harry Gatton, Raleigh; general counsel, James H. Pou Bailey, Raleigh.

The Association's 65th annual convention will be held this year in Pinehurst, May 7-9. Approximately 1,300 people are expected to attend. At that time, a new slate of officers will be elected.

Mr. Paschall is president of Branch Banking & Trust Company; Mr. Vanstory is chairman of the board of North Carolina National Bank; Mr. Mooneyham is chairman of Security Bank and Trust Company and Mr. Shaw is president of the Central Bank and Trust Company.

KLEIN TV MOVIES

—Continued from page 50—

depicts the operations of a Tar Heel restaurant chain and still another describes activities of a North Carolina chemical firm.

Photography comprises only a third of the motion picture work involved in this firm's assignments. Other staff members must write scenarios, prepare workprints, record voices and music, prepare sync sounds (the whoosh of a spinning rod), synchronize, prepare titles and special effects, work with laboratories in New York and Washington, and circulate completed films.

Distributing hundreds of reels of film among hundreds of television stations is a substantial part of the firm's work. Films must make playdates without fail, and each print must "bicycle" from one station to another on precise schedules.

No creative firms likes to feel it is just like its competitors. So the Klein people work hard to offer the unusual in carrying out their assignments. "When we were faced with a fishing expedition, we made up our minds not to record those long, dull catch sequences," Mr. Klein explained.

So we handled each catch as a rapid-fire series of short shots, flashing from fisherman to fish, shooting from two boats, and working in extreme closeup shots of men's eyes, fish line, men's teeth, and water action.

"By doing that the viewer gets real entertainment rather than a mundane and vicarious observation of someone else's fun."

It is this approach in style that separates the Charlotte firm from others and attracts patronage from sources all over the country.

EVENING COLLEGE

—Continued from page 62—

the kind of educational program personnel in Employment Security desire. The committee will then attempt to secure approval of the North Carolina Merit System for its program. Members of IAPES will certainly find it to their advantage to cooperate with the committee's survey. The Special Education Committee hopes, through its contact with supervisors and its research of personnel, to come up with an educational program that will extend the resources of a college or university to various parts of the state and prove beneficial to the Employment Security Commission.

CITIZENS BANK AND TRUST ORGANIZED 1889

By J. D. Wilson
Asst. V. Pres. In Charge of Public Relations

On January 22, 1889, the bank's organization was completed and the "Citizens Bank" opened its doors for business on the morning of January 23, 1889.

The Citizens Bank is the second oldest state bank in North Carolina and its opening occurred only 8 years after the county of Vance was formed.

WILSON

Mr. Samuel Watkins served as the first president of the organization with Mr. Redding Perry as Vice President. The first Board of Directors consisted of Samuel Watkins, Redding Perry, George B. Harris, John D. Cooper, W. S. Clary, Owen Davis, A. C. Zollicoffer and J. Bailey Owen.

The Citizens Bank was organized with capital stock of $30,000. It has made continual growth since opening and was one of the few banks to weather the 1932-33 depression without having to close.

GARDNER

Mr. J. Bailey Owen was the first cashier and remained as such until 1895 when the Bank of Henderson was merged with the Citizens Bank and Mr. W. A. Hunt became cashier and Mr. Owen was made president. Mr. Owen remained as president until his death in 1950 except for the period from January 1926 to January 1937 during which time he served as Chairman of the Board of Directors.

In 1895 the insurance agency operated by Mr. W. A. Hunt was purchased by the Citizens Banks, thus giving the bank an insurance department. Since that time the Insurance Dept. has grown to major proportions.

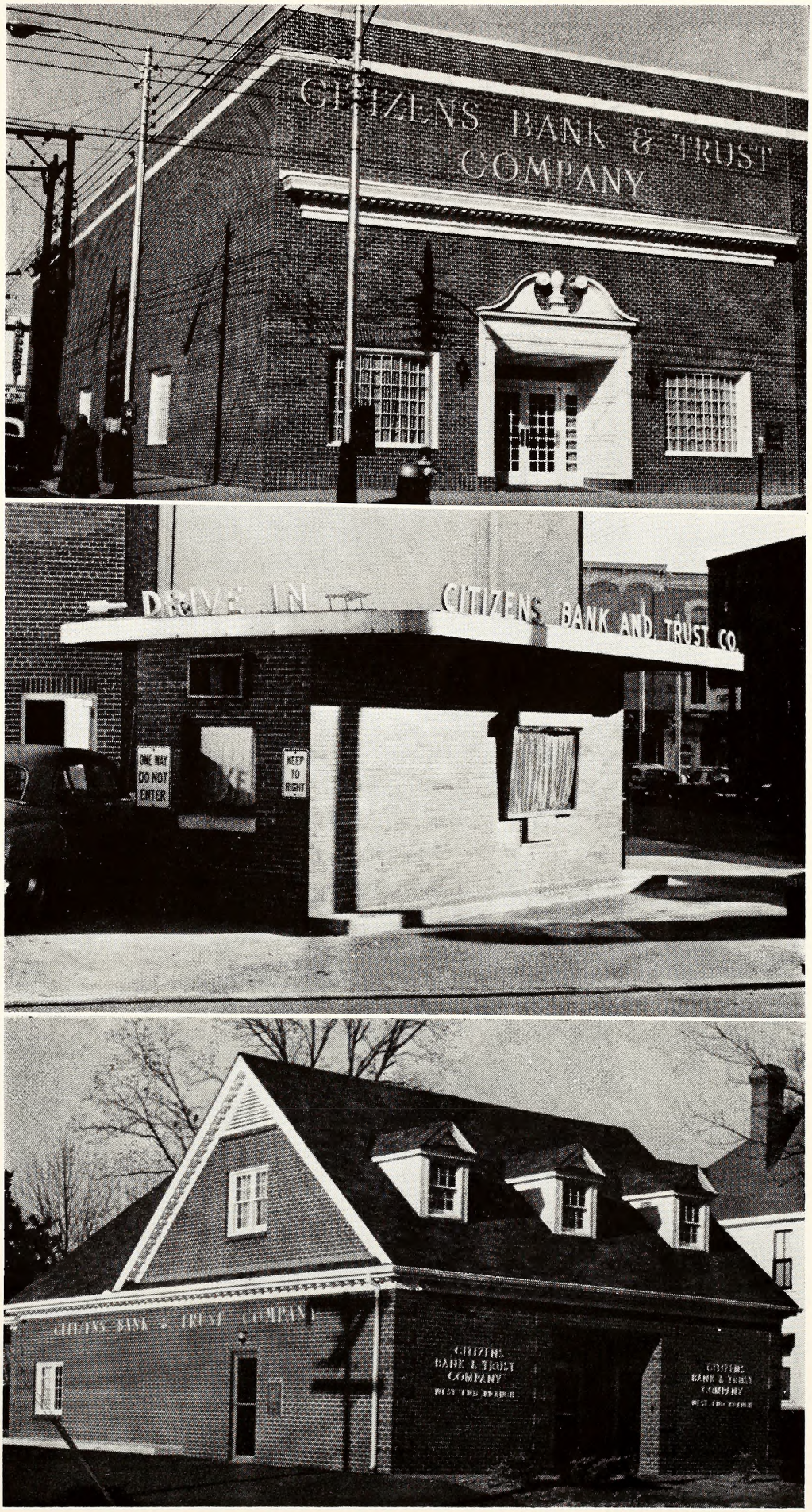
In 1919 the Trust Department was added and the Bank's name changed to the "Citizens Bank & Trust Company."

An Installment Loan Department was organized by Mr. J. B. Crudup and added as a new bank department in 1946. This addition made it possible for Citizens Bank and Trust Company to give financial services of banking, insurance and trusts.

As the bank continued to grow, the main lobby area had to be doubled in 1952 to meet the increasing needs of the customers.

In November, 1954 a new Drive-In Branch was opened on the corner of

—See Citizens Bank, page 90—



Henderson's Citizens Bank and Trust Company's Main Office; center, Drive-In Corner, Breckenridge and Wyche Streets, and West End Branch of South Garnett and Belle Streets.

UNION TRUST HAS HAD CONTINUAL GROWTH SINCE ORGANIZATION IN 1922

Continued programs of growth and expansion of Union Trust Company of Shelby since its origin on May 17, 1922 is evidenced in its eight banking institutions in Cleveland and Rutherford Counties with total resources of $18,429,125.79.

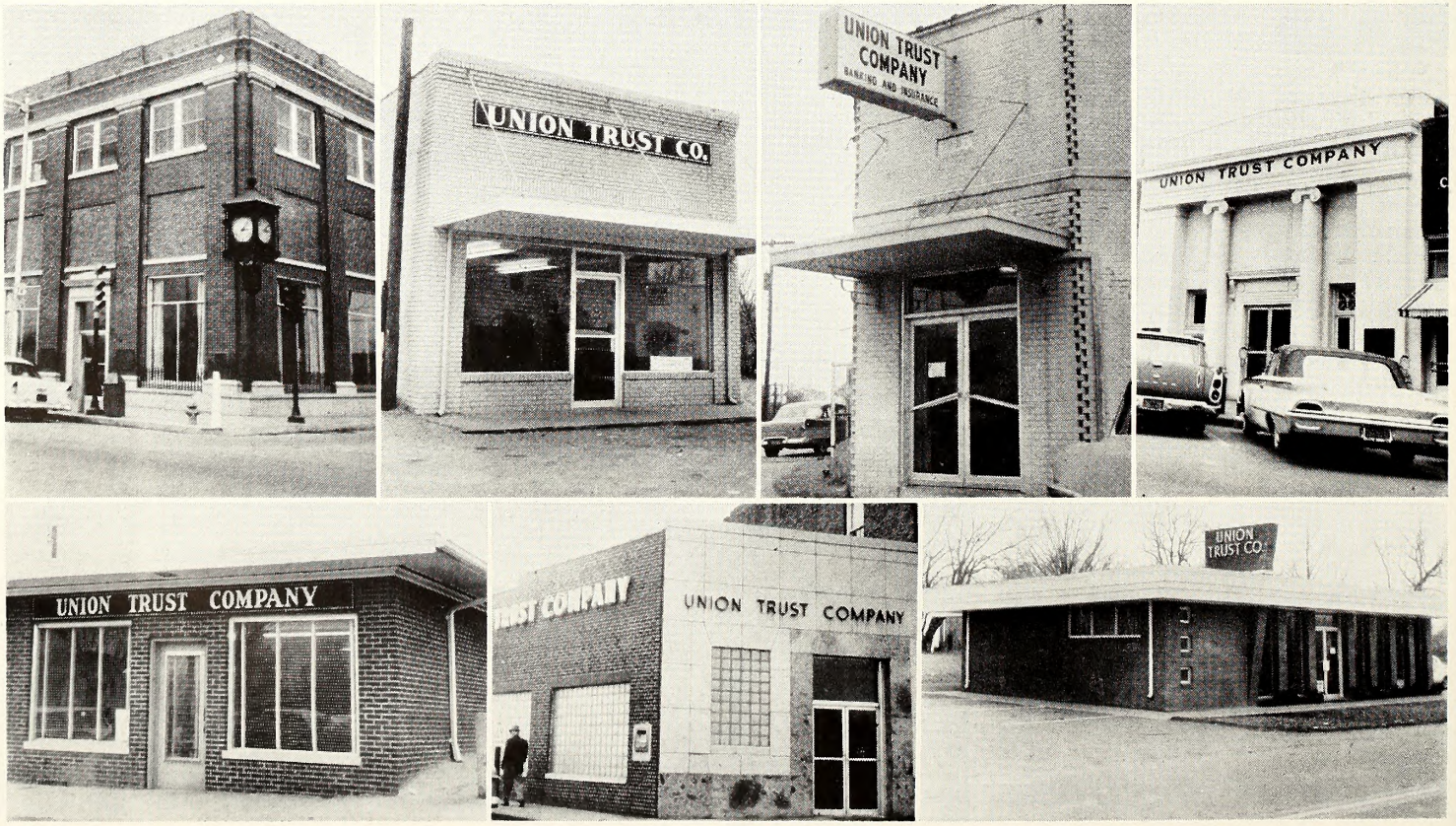
This program of growth has set the pace for the proposed erection this spring of a completely modern and convenient home bank building with construction to get underway soon on the north side of Cleveland County's handsome courthouse and square in the heart of Shelby.

President Clyde L. Stutts indicates the new building will afford every facility for modern banking services for its present and future customers. Drive-in banking accommodations of the new building and ample parking on the uptown property are other items of progress noted in the venture.

In addition to the building program of a home office, improvement and renovations of branch banks are carried out on a continuous program, President Stutts points out. Latest ribbon cutting ceremonies have been conducted at new quarters in Lawndale and in Ellenboro. Besides the Lawndale and Ellenboro banks, other branch institutions are located in Boiling Springs, Fallston, Forest City, Rutherfordton, and Spindale.

—See Union Trust, page 92—

1. Unian Trust Campany's Shelby Office. 2. Clyde L. Stutts, president. 3. Mrs. E. B. Spurlin, asst. cashier, Ellenbara; 4. Edward H. Willis, asst. cashier and trust afficer; Charles L. Blantan, asst. cashier; Olan R. Speagle, asst. vice president and treasurer; C. C. Hughes, cashier, Shelby. 5. Mark L. Summey, cashier, Bailing Springs. 6. W. J. Stallings, vice president and cashier; Jack D. Walker, asst. Cashier, Spindale. 7. Charles F. Fawler, branch manager; Narris Wright, asst. cashier, Fallstan. 8. J. Warth Margan, vice president; P. B. Price, asst. vice president and cashier, Forest City. 9. B. B. Horn, cashier, Lawndale. 10. Harace Easom, vice president, public relations. 11. Kenneth S. Miller, vice president; G. Lennon Clements, cashier, Rutherfardtan.

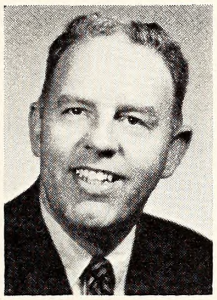


Shown above are the affices of Union Trust Campany at (tap) Forest City, Ellenboro, Fallston, Rutherfordton, and bottam, Bailing Springs, Spindale, and Lawndale.

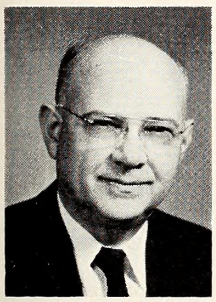
BRANCH BANKING IS NORTH CAROLINA'S OLDEST

By Jim Reid
Sr. Vice President

The Branch Banking and Trust Company had its origin in Wilson, and grew out of the mercantile enterprises of its founder. Alpheus Paul Branch. For many years it had no separate identity, but was conducted by Branch from the general offices of the firm of Branch and Hadley. The firm of Branch and Hadley was founded in 1872. From its earliest years, Branch, in connection with the firm's various enterprises, accepted time deposits, sold foreign drafts, and engaged in the usual undertakings of the private banker.


REID

Alpheus Branch carried on his banking business in connection with the firm of Branch and Hadley until 1889. In that year he moved his banking business to a location on Nash Street two doors West of the present location of the Bank in Wilson and there under the name of Branch and Company, Bankers, commenced a general business as a private banker. In the same year, 1889, Branch, together with T. J. Hadley, General Joshua Barnes, J. F. Bruton, R. L. Thompson and Walter Brodie, secured a charter from the Legislature of North Carolina for the Wilson Banking and Trust Company. At the 1891 session of the Legislature the name of this Corporation was changed to The Branch Banking Company. No banking business, however, was carried on by this Corporation and Branch's private banking business was carried on without interruption until 1900.


PASCHALL

Alpheus Branch died in 1893, leaving to W. P. Simpson the conduct of his banking business, and making his entire estate liable for any obligation of the Bank. Simpson continued the operation of the Bank until his death in 1898, when Judge H. G. Connor, Co-Executor of Branch's estate, took over its management and continued to operate it until 1900.

In 1900, the Stockholders of the Branch Banking Company met and instructed its directors to buy the banking business of Branch and Company, Bankers, and continue it under the name of the Branch Banking Company. H. G. Connor was elected President.

In 1903 the Branch Banking Company purchased the property upon which the present building now stands, erected its present building, and moved into the new quarters in 1904. The deposits at this time were in the neighborhood of $100,000.00. H. G. Connor remained President of the Bank until 1907, when he resigned to begin his duties as an Associate Justice of the Supreme Court of North Carolina.

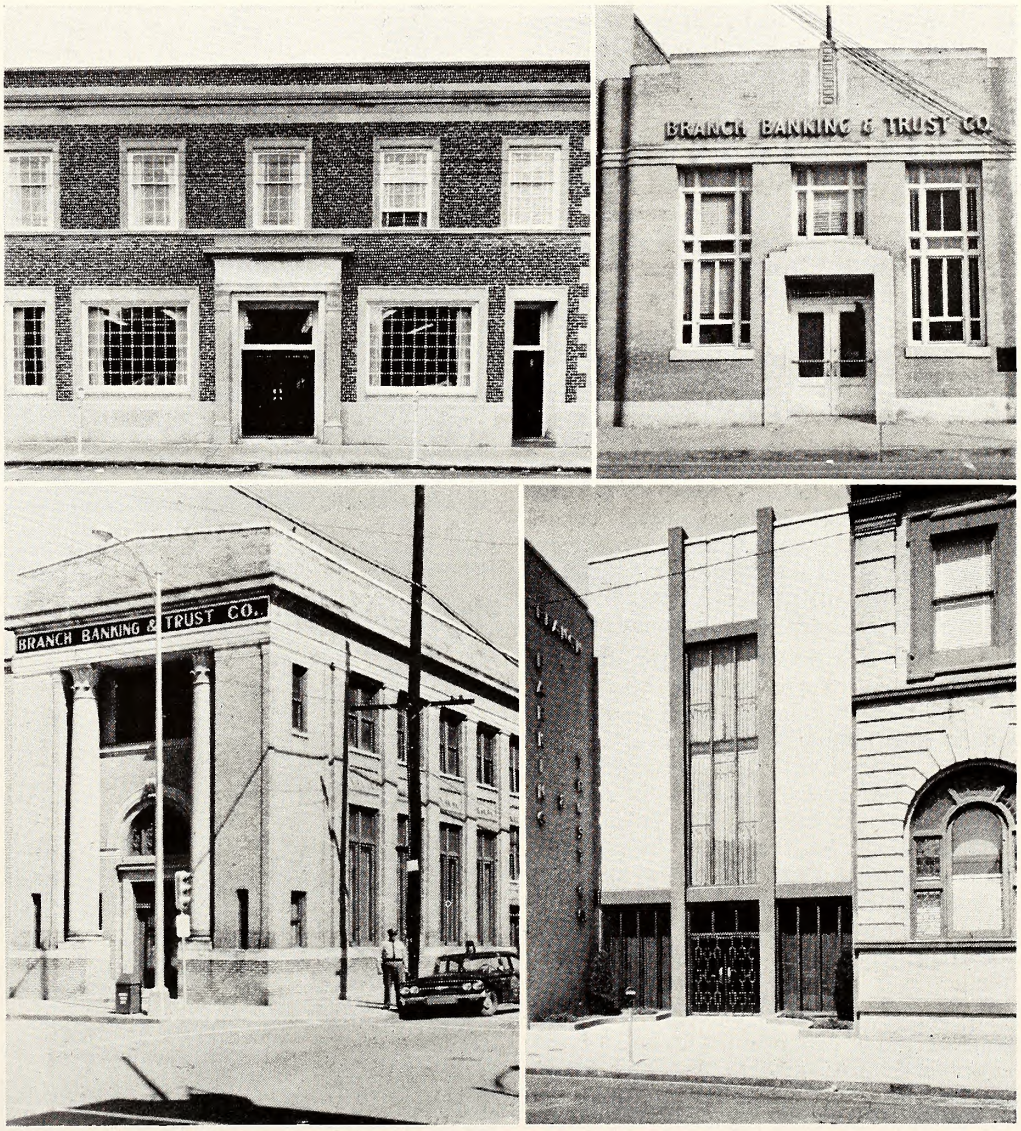
He was succeeded as President of the Bank by J. C. Hales, who was serving as cashier at the time of Judge Connor's resignation. Hales remained president until his death in 1913 at which time S. H. Anderson was elected Chairman of the Board and has remained in that position until the present time. Following Anderson's resignation as president in 1915, S. G. Mewborn was elected president and served in that position until 1924 when H. D. Bateman was elected president of the bank from the position of Vice-President and Cashier. Bateman had been serving as cashier of the bank since 1916.

At the time Bateman came with the bank in 1916, the Capital and Surplus approximated $150,000.00 and Total Resources about $950,000. Under his efficient management, the bank grew to an institution with Resources in excess of $100,000,000 and became known as one of the outstanding financial institutions, not only in the South, but of the country as a whole.

Bateman retired from the office of the president on January 1, 1953, and since that time it has been under the efficient management of J. E. Paschall, who was elected president to succeed Bateman.

During the years in which Paschall has been serving as president, the bank has expanded its services to many areas and increased its usefulness to those within its trading territory by offering all modern banking services. Operating income during these years has measurably increased and from this standpoint 1960 was the most successful year the bank has ever had. Paschall is at present

—See Branch Banking, page 73—



Branch Banking and Trust Company has some of the better buildings for banking purposes in the State. Top left, shows the New Bern Office; right, the Williamston; bottom, left, Selma Office and right, the home office in Wilson.

NORTHWESTERN BANK SEES INDUSTRIAL GROWTH, LIVING STANDARD RISE

By Sue Alfriend

The growth of The Northwestern Bank reflects a change in the economy in western North Carolina . . . . a change from a relatively poor agricultural area to an area of growing industrialization and modern agriculture. Improved economic conditions and a higher standard of living brought about the need for better banking facilities.

ALFRIEND

With the election of the cashier of the Deposit and Savings Bank of North Wilkesboro to a political office and the death of the president of the Merchants and Farmers Bank of Bakersville, these banks turned to the strong leadership of the Doughtons and Duncans at the Bank of Sparta. In July, 1937, these three banks, joined by the Watauga County Bank at Boone, formed The Northwestern Bank. Teller windows at Blowing Rock and Burnsville were included in the original consolidation. The bank had beginning capital of $150,000; surplus $75,000; undivided profits, $50,000 and deposits $2,285,000.

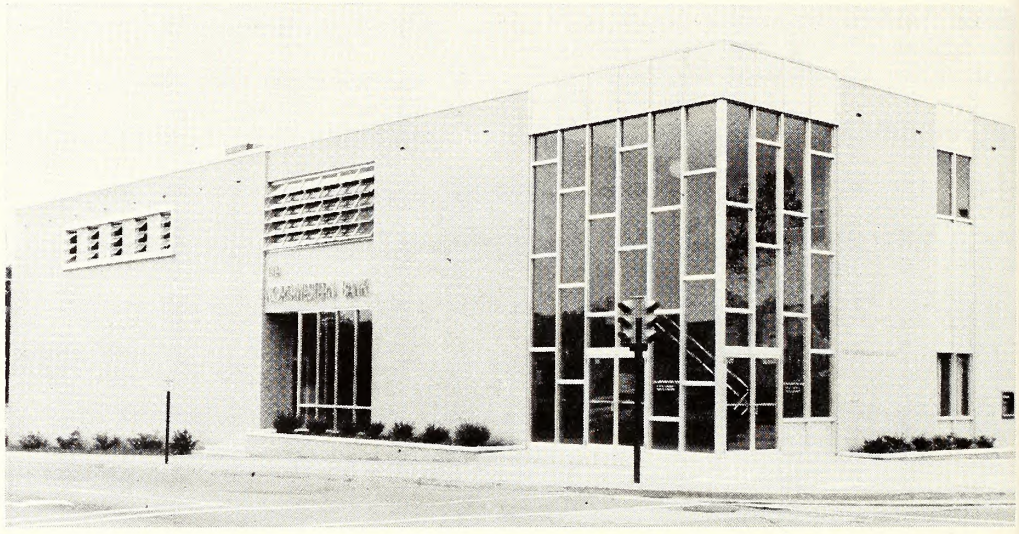
Strong leadership has been a marked characteristic of The Northwestern Bank. Rufus A. Doughton of Sparta, who had returned after 40 years of government service including commissioner of revenue, lieutenant governor, state highway commissioner and seven times a legislator, became the first president. Edwin Duncan was elected vice president.

The Northwestern Bank was now to embark on a period of phenominal growth. Growth that can be attributed to two principal factors. First, the bank expanded through greater public acceptance and increased banking services. Second, there was enlargement through mergers with other banks, establishing new banks and opening additional offices.

In 1938, Northwestern began its expansion program by buying the Bank of Ashe in Jefferson, a neighbor of both Sparta and Boone. The next year Northwestern merged with the Merchants and Farmers Bank of Taylorsville. A new office was established at Valdese in 1939. In 1942, Northwestern bought the Bank of Spruce Pine which was the second bank in Mitchell County. Bakersville, the county seat, was one of the original members of The Northwestern Bank.

In the 40's, scandal came to the local bank at Black Mountain. Officers of the bank were imprisoned for stealing $400,000 in bank funds. Upon the request of the Federal Deposit Insurance Corporation, The Northwestern Bank established a bank in Black Mountain in 1945 and paid off the depositors insured by the Federal Deposit Insurance Corporation. A teller's window was also opened in Old Fort.

In 1946, a merger was made with the Merchants and Farmers Bank of Newton and Maiden. This paved the way for the purchase of the Bank of Hickory in 1947. Wade H. Shuford, principal stockholder in the Newton bank was also a leading stockholder of the smaller bank at Hickory. Mr. Shuford is now a vice



Statesville's Front and Center Street Office of Northwestern Bank.

Executive Committee of the Northwestern Bank: Left to right, J. H. Pearson; A. Fuller Sams, Jr.; Wade H. Shuford, Sr., vice president; Edwin Duncan, president; D. V. Deal, senior vice president and secretary; J. K. Daughtan, senior trust officer; and B. R. Penland.

Lobby of the main office of Northwestern Bank, Hendersonville.

president, member of the Executive Committee and a member of the Board of Directors of The Northwestern Bank.

In 1950, North Wilkesboro opened a new office in adjoining Wilkesboro, the county seat of Wilkes County. The Taylorsvillle office opened a teller's window in near-by Stony Point the same year.

On December 30, 1950, Northwestern had total resources of $35,712,000. Total deposits were $31,407,000; capital stock $500,000; surplus $1,000,000 and undivided profits $718,084.

During the next six years, Northwestern did not take in any other banks or open new offices. This was a period of perfecting the individual branch operations and settling the branches into the overall system.

In 1956, The Northwestern Bank entered upon another period of expansion. First was the purchase of the Yadkin Valley Bank at East Bend. The following year Northwestern merged with the Peoples Loan and Savings Bank of Statesville. At the end of 1957, total resources were $70,281,000—double the amount at the end of 1950. Deposits $60,991,000; capital stock $1,000,000; surplus $4,000,000 and undivided profits $171,793. Also in 1957 new offices were opened in Cleveland and West Jefferson.

The last major expansion was in 1958 when The Northwestern Bank merged with the State Trust Company in Hendersonville which operated three offices in Hendersonville and one in Fletcher.

In 1959, the Statesville branch constructed a new building at the corner of Front and Center Streets.

In April 1960, a branch was opened in Clemmons, ten miles from Wiston-Salem. The Clemmons trade area combines a farming community and a residential area for people working in Winston-Salem. Every effort has been made to serve the needs of both, particularly in banking hours and services.

In June of 1960, Hendersonville opened its remodeled main office. With this building and the new office in Statesville one sees a new trend in the banking facilities of Northwestern. . . .more modern and functional facilities but still featuring simplicity as a brand of Northwestern. New banking quarters constructed in Boone and Blowing Rock in 1960 are also marked by this modern simplicity.

In December, 1960, a new drive-in branch was opened in East Hickory. Permission has been received to build another drive-in facility in downtown Hickory and a new office in Taylorsville. The North Wilkesboro office will begin construction on a new office in the spring of 1961. This building will house the North Wilkesboro office and the headquarters for The Northwestern Bank.

On December 31, 1960, total resources were $101,285,000. . . .approximately forty times the initial resources of Northwestern. Deposits were $88,455,000. Capital stock $1,500,000; surplus $5,000,000 and undivided profits were $1,207,000.

The Northwestern Bank now serves 16 counties in Western North Carolina with 31 offices in 24 towns and cities. North Wilkesboro remains the home office with the general officers traveling to the branches.

What makes Northwestern different from the other large banking chains? As President, Edwin Duncan, often explains, "Northwestern is structually organized to operate in small towns. The growth of Northwestern is due mainly to the fact that authority has not been taken away from the local people. It is felt that the local officers have a better understanding of their customers and their banking needs."

Under The Northwestern Bank method of operation, individual banks have their own officers and board of managers. They operate their banks in the usual manner and make loans up to $5,000 without approval from the home office. On loans over $5,000, the Credit Department and Executive Committee of the central organization review the loan applications. The main office also supplies credit and auditing departments and invests surplus money. A trained agriculture representative is employed by the home office and is available to

—See Northwestern Bank, page 75—

Bank of Northampton has Kaleidoscopic History

From the standpoint of age in years alone, The Bank of Northampton, serving agricultural Northampton County from Jackson, cannot be considered a particularly old banking institution despite the fact that it was organized in May of 1904. More pertinent perhaps, and certainly more interesting, is the 57 year history of this organization when considered in the light of the problems and successes these years have brought for here we find a virtual kaleidoscope of the history of small banks in Eastern North Carolina.

In comparison with events to come later, the first year was an auspicious one for this modest establishment in that, after the first fourteen months of operation, the directors declared an 8% dividend in August of 1905. Included among the founders were the names of many prominent Northampton families some of which were Stancell, Flythe, Burgwyn, Peebles, Ransom, Stephenson, and Wilkins as well as others. With backing such as this, followed with the generous initial dividend, there should have been good reason to expect nothing but success for this venture. In addition to this, it soon became apparent that the Bank would follow a conservative policy; the minutes of the Board of Directors in 1907, after a new building had been erected and occupied, state that tenants renting office space in the building would be responsible for any damage to it, and if they broke a window glass they could replace it at their own expense or do without.

The Bank was rather successful from the beginning for under the guidance of Presidents William H. S. Burgwyn (1904-1906), Jesse T. Flythe (1906-1917), Dr. Henry W. Lewis (1917-1927), and Edmund Wilkins Lewis (1927-1955) it had exceptional executive leadership. The period prior to the depression of 1929 was fairly favorable to farmers in Northampton and, as a result, the Bank was able to grow to the extent that it declared a stock dividend in 1923 and was able to purchase some North Carolina bonds in 1928. In 1930, with neighboring banks closing one after another, the Bank of Northampton managed to remain open although it required many directors meetings, numerous calls on correspondents in Raleigh and Winston-Salem as well as Norfolk and Suffolk, Va. Personal sacrifices on the part of the officers became commonplace. The minutes of the Board meeting of January 1931 reveal that the president brought to the attention of the Directors the fact that he had served the entire year without any compensation at all. The following year, with conditions only slightly improved, President Lewis offered to return to the Bank $500.00 of his salary so that the Bank might show a profit in the annual report; the Cashier, Wray C. Lassiter, agreed to a reduction in salary and, somehow, the Bank remained open until the Roosevelt holiday in 1933. In March of that year, the Commissioner of Banks issued a Certificate of Solvency and the worst had been passed although this review cannot adequately describe the bitter experiences of the crisis. The very fact that the Bank is still in existence is a tribute not only to those progressive enough to conceive it but also to those durable and resolute enough to make it survive the financial panic of the times. The minutes of the frequent Directors Meetings of 1930-1933 affirm the loyalty and ability of many including members of the board: Dr. Henry W. Lewis, E. S. Bowers, A. C. Gay, and P. J. Long.

In 1950, after the favorable post-war years, the Bank declared another stock dividend of $10,000.00 and increased its capital to $25,000.00. Today, from the original $5,000.00 subscription, the Bank shows assets in excess of $2,000,000.00 and a capital account of $200,000.00. P. A. Lewis elected President in 1956 to succeed his father, E. W. Lewis; Tillman W. Cooley, Cashier since 1946 and Executive Vice President since 1955; Eric Norfleet, Vice President since 1946; and E. T. Sumner, Assistant Cashier since 1955 are the present officers.

"PLANTERS NATIONAL"—SYMBOL OF DYNAMIC BANKING

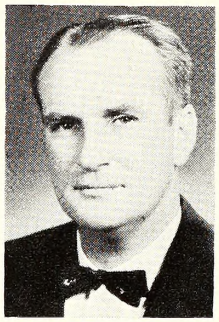
By W. Carlyle Gay
Vice President; Public Relations

Since its establishment on March 27, 1899, The Planters National Bank and Trust Company has grown and prospered. Its growth may be attributed in part to its favored location in a richly blessed agricultural area; in part to the normal trend of growth over the years; and in part to a myriad indefinable factors that invariably contribute to the success or failure of any business venture.

GAY

But the bank did not progress from an original $148,000 in assets to its present $31,000,000 merely by riding the crest of a wave. It did not raise an original capitalization from $25,000 to current capital accounts in excess of $2,000,000,000 simply by opening its doors to depositors and borrowers. This bank's steady growth is primarily the result of sound policies and practices instituted by men of keen business acumen, farsighted vision, and an unselfish devotion to service. These men created the base upon which others are destined to build a great financial institution.

Present management envisions itself as heir to a magnificent banking tradition. It feels that it stands at the threshold of a new era. . . . in an area of unlimited potential. The challenge and the obligation is unmistakable. . . . Planters National plans to expand its area and scope of service by building a dynamic, aggressive banking institution to better serve the people in its area.


TEAGUE

The bank has had three presidents—Mr. J. C. Braswell from 1899 to 1944; Mr. Millard F. Jones from 1944 to 1950 (both deceased); and Mr. Archie W. McLean, the present president who came with the bank in 1950.

In September 1950, the bank opened a branch in Rocky Mount with drive-in facilities, known as the Church Street office.

On December 10, 1953, a branch of the bank was opened at Plymouth, N. C.

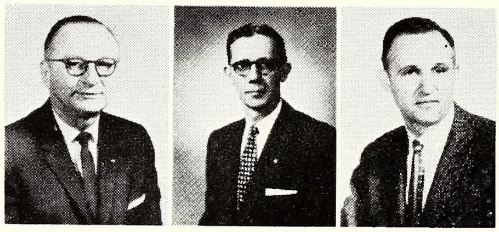
A third office was opened in Ahoskie, N. C. on February 25, 1954.

In Rocky Mount, a new Time Payment office began operations on September 10, 1955, and four months later a modern drive-in banking facility made its debut in the Englewood section of that city.

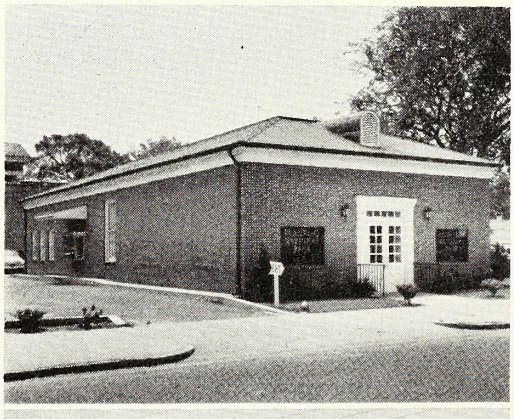
On June 10, 1956, with the approval of the Comptroller of the Currency, Washington, D. C., the Roanoke Bank and Trust Company of Roanoke Rapids, N. C. consolidated with the bank under the charter of The Planters National Bank and Trust Company.

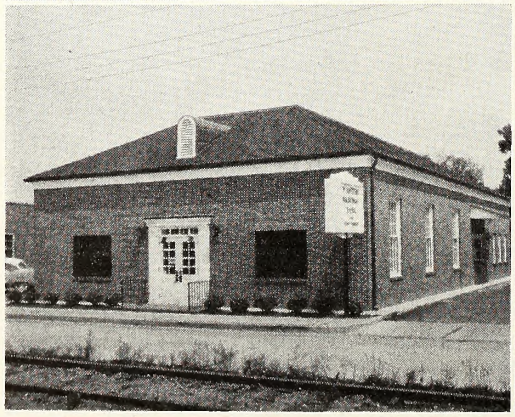
In 1956, a new drive-in office was opened in Roanoke Rapids, bringing the advantages of drive-in banking to that area for the first time.

—See Planters National, page 73—


Left to right, Bert H. Plint, vice president and manager, Ahoskie; Frank B. Neal, vice president and manager, Roanoke Rapids; Frank L. Little, Jr., vice president and manager, Greenville.

Home Office



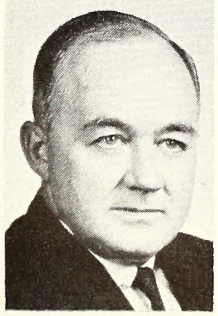


Top, Plymouth Office of Planters National Bank and Trust Company; Right, Greenville Office; Lower left, Ahoskie Office; and right, Rocky Mount Church Street Office.

Archie W. McLean
Planters National's President

Archie W. McLean, one of North Carolina's leading bankers, is president of The Planters National Bank and Trust Company.

A graduate of Lumberton High School, Davidson College, and The Graduate School of Banking at Rutgers, McLean has spearheaded the growth of his bank since 1950 from a one-office operation to its present eleven offices in five Eastern North Carolina communities.



Prior to his affiliation with Planters National, he served as Vice President and Cashier of the National Bank of Lumberton, N. C.; as Manager of Personnel for the Federal Reserve Bank of Cleveland, Ohio; and as Vice President of the Wachovia Bank and Trust Company in Charlotte, N. C.

McLean's enviable record of activity and leadership in business, professional, and civic organizations is well-known throughout the state. In Rocky Mount he has served as president of the Chamber of Commerce, president of United Community Services, president of the Y. M. C. A., and as director in numerous civic and business enterprises.

He is a Rotarian, a Presbyterian, and the father of four children. His wife is the former Serene Lee Turnage of Farmville.

During the years 1955-57 McLean was a director of the United States Chamber of Commerce.

"STOCK" WAS FIRST COLLATERAL OF DURHAM BANK AND TRUST COMPANY

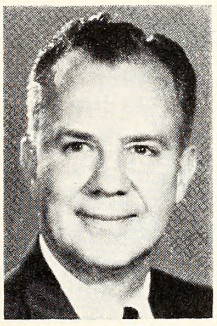
By J. A. McLean

Assistant Vice President
Durham Bank & Trust Company

The young bank president, resplendent in morning coat, wing collar, and wearing a flower in his buttonhole, stood in lobby of his brand new bank on opening day. Among those who greeted him was a farmer, fresh from the fields.

"Mr. Hill," he said, "I need a $500 loan."

John Sprunt Hill's reply was affable and courteous. "Certainly, sir. What sort of collateral can you offer? The bank customarily requires stock."



J. A. McLEAN

The farmer considered this briefly, transferred his wad of tobacco, and replied, "Well, I don't have no bonds, and I don't want to put no mortgage on my property, but I do have some mighty fine stock. I could put up a blazed-face cow with a stocking foot, a good bull calf with one horn, a good blind mule, and a yoke of oxen!"

This "stock" collateral was accepted and the Durham Bank & Trust Company had its modest beginning in 1904. Since that time it has grown to nearly $48 million in resources, but its objectives remain the same: providing local banking service to Durham, its people and its businesses and the surrounding trading area.

From the start Durham Bank witnessed a steady growth. The financial storms of the 1930's not only left the Durham Bank unscathed, but with a larger capital and surplus than before.

In the '30's Durham Bank opened branch offices in other communities in the Durham trading area, most of which had no banking service.

These towns were Apex, Cooleemee, Creedmoor, Hillsboro, Mebane and Wake Forest.

As the bank grew, so did the need for larger quarters. In 1937 the main office was moved into the newly-constructed 18-story office building at 111 Corcoran Street where it remains today.

Since the war the bank's expansion has been continuous. Branch offices in Durham were added as the needs for greater and more convenient banking service arose.

Durham's Home Savings Bank, an old and respected institution, was merged with the Durham Bank in 1950.

In 1955 The Bank of Harnett also merged with Durham Bank. And in 1959 the Citizens National Bank of Durham with resources totaling nearly $10 million joined with the Durham Bank & Trust Company to form what is today the 7th largest bank in North Carolina.

Resources now total $47.8 million. The bank employs 206. It has nine offices in Durham proper, and offices in 10 other neighboring communities, including offices in Butner, Roxboro, and Youngsville added in the '50's.

The bank's Trust Department, under the leadership of Frank D. Bozarth, has achieved a consistent and solid growth since its formation in the mid-1930's. This department offers a wide range of personal corporate trust services.

A continuing building program is a hallmark of the bank's progressive look to the future. New structures include its Northgate Shopping Center office opened in Durham last November and new buildings now under construction in Apex and Mebane.

George Watts Hill, son of the founder and first president of Durham Bank, is the chairman of the board. Other major officers include Paul Wright, Jr., president; Frank D. Bozarth, senior vice president and senior trust officer; W. W. Woodley, Jr., senior vice president.

As the largest home-owned and home-operated bank in Durham, Durham Bank & Trust Company continues primarily to serve the people, businesses and communities in the Durham trading area.

"No one better knows hometown problems and how to deal with them than hometown people," said President Wright.

Durham Bank & Trust Company's main office and trust department are located at 111 Carcaran Street, Durham.

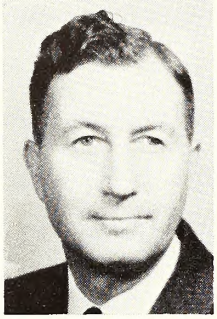
Forest Hills Shopping Center Office is an example of the bank's progressive and continuing branch building program. Lower picture shows the Northgate Shopping Center Office which brings the total number of Durham Bank and Trust Company's locations to nine.

LEAKSVILLE'S OLDEST BANK FOUNDED IN 1889

By I. H. Sutliff, Jr., *Cashier*

Keeping pace with the banking needs of an ever-growing community, Leaksville Bank & Trust Company has grown from small beginnings to the point where they have four offices to serve the Tri-Cities of Leaksville, Spray, Draper and a wide segment of Rockingham County. All the banking services a Community of this size could expect are provided.

Today the institution has assets totaling $6½ millions. The bank is the oldest in years of uninterrupted service to the community and has continuously served the banking needs of the area for 72 years.



SUTLIFF

The bank has modern headquarters on Washington Street, Leaksville, N. C. with parking facilities for its employees and the public on both sides of its building. The main building and the branch buildings are completely air conditioned for the comfort of the customers and employees. The bank was first in the area to provide drive-up window service for motorists. There are also three strategically located branch banks; one in the Boulevard business area, one in Spray, and one in Draper. Each one offers full banking service.

The Leaksville Bank & Trust Company was formed in 1922 when the old Bank of Leaksville, founded in 1889, was merged with the Boulevard Bank & Trust Company. The old Bank of Leaksville was the first bank in the Tri-City area. W. R. Walker was its first president and F. D. Swann was its first cashier.

At Spray, in 1890, Major J. Turner Morehead promoted the Wilson Aluminum Company, that never made any aluminum, instead, by accident, discovered how to produce carbide, which when put in water, generated acetylene gas. From this discovery, the American Carbide Company originated and became one of the largest and greatest corporations in the world.

In 1892, under the leadership of the late B. Frank Mebane, a marvelous expansion began, and for several years a new cotton and woolen mill was promoted each year, all the available water power of the Smith River being utilized and steam plants being required.

In the meantime in old Leaksville, tobacco manufacturing was the chief, or only industry, as it had been for almost a century. Auction warehouses had opened here soon after the war between the states, and the market held up well in competition with other points. As late as 1893, eight factories were making chewing tobacco here and some of their brands were famous through-out the country.

In 1893 the late D. F. King entered the banking field and continued with the institution until its merger in 1922. In 1895 Albert E. Millner served as cashier of the Bank of Leaksville.

The Danville and New River Railroad Company built its lines to Leaksville by 1884. It is now the Carolina and Northwestern, a branch of the Southern System. This ended all water transportation, as well as the hauling of freight from Reidsville and Danville by wagons with team horses, mules, and oxen.

By 1906 Draper had grown to be a considerable village. The German-American Co. had built a large textile mill there in the heart of what has always been called "The Meadows."

In 1907 B. Frank Mebane and A. J. Draper started the Imperial Bank and Trust Company in Spray which flourished for many years and established a branch in Draper. Eventually the people in the growing town of Draper desired a bank of their own and in 1920 B. E. Ivie, who had been with the Imperial, organized the Bank of Draper. The Imperial's branch at Draper was withdrawn and the Bank of Draper served the community for many years. Mr. Ivie, however, left the Bank of Draper, in 1922 and became associated with the Leaksville Bank & Trust Company after the merger. T. R. Hundley then ran the Draper Bank until O. L. Slayton became cashier late in the 1920's.

In 1912 the Draper-American Company and much land was acquired by Marshall Field & Company of Chicago, together with seven mills in Spray. Marshall Field and Company operated this chain of mills until October 1953, when the mills were purchased by a newly formed corporation, Fieldcrest Mills, Incorporated.

The Boulevard Bank & Trust Company was organized in 1914 and prospered until its merger with the old Bank of Leaksville in 1922. The late Rev. P. H. Gwynn was largely responsible for its organization and served as president. H. C. Pace, Sr. was cashier. After the merger in 1922, the Leaksville Bank & Trust Company prospered under the leadership of Mr. Ivie and Rev. Gwynn. By 1931 its total resources were $755,867. The Board of Directors in 1931 was composed of E. D. Pitcher, Chairman, Mrs. L. W. Clark, J. R. Perdue, J. M. Hopper, William Stevensen J. J. Hodges, J. W. Price, P. H. Gwynn, B. E. Ivie, H. C. Pace, L. H. Hodges, and T. H. Barker.

In May 1931 the bank took over the assets and assumed the liabilities of the Imperial Bank and made it the Spray Branch of the Leaksville Bank & Trust Company. Mr. Gwynn resigned the presidency of the Bank and James T. Smith, who had conducted the Imperial Bank,

Here are four of the modern buildings of the Leaksville Bank and Trust Company. Top left, Spray; right, Boulevard Branch; lower left Leaksville; and right, Draper.

was elected president, a post he administered with distinction until he resigned in the fall of 1950 and was succeeded January 1, 1951, by B. E. Ivie, the present president.

The Leaksville Bank & Trust Company weathered the nationwide banking crisis of 1931-33 and did not close except for a few weeks when President Roosevelt in March, 1933, ordered every bank in the United States to close temporarily until some solution could be worked out for all. In December, 1933, $50,000 of new preferred stock was issued but within a few years this stock was retired and the bank returned to its $100,000 Capital.

In 1933, the bank became a member of the Federal Deposit Insurance Corporation with every depositor's account insured up to $2,500 which has since increased to $10,000.

In 1942, the Bank of Draper was liquidated and Leaksville Bank & Trust Co. opened a branch in Draper with Jack Lewis as the first assistant cashier.

At a meeting of the Board of Directors October 19, 1950, a proposal that

Left to right, Directors of Bank of Leaksville C. W. Roberts, B. W. Walker. H. C. Pace, Dr. John B. Ray, and B. E. Ivie, President. Bank Personnel, Frances Stack, Margaret C. Vernon, B. E. Ivie, Sibyl C. Sutliff, and Marjorie Roberts.

the bank build a new home was studied. It was discussed at succeeding meetings and a lot was purchased and a modern new banking house was built in 1953.

Present Officers of the Bank are; B. E. Ivie, President, B. W. Walker, Vice President; H. W. Peters, Vice President; I. H. Sutliff, Jr., Cashier, R. Manley Joyce, Assistant Cashier; James W. Carter, Assistant Cashier; B. J. Carter, Assistant Cashier; and Sibyl C. Sutliff, Assistant Cashier. Directors are T. H. Barker, Twin City Grocery; P. H. Gwynn, Jr., Teacher; Thomas S. Harrington, Attorney-at-Law; B. E. Ivie, President; H. C. Pace, Jr., Pace-Stone Furniture Co.; H. W. Peters, Retired Minister; Garr Price, Merchants Ice & Coal Co.; J. Hampton Price, Attorney-at-law; C. W. Roberts, Meadow Dairies; J. S. Robertson, Leaksville Publishing Co.; I. H. Sutliff, Jr., Cashier; and B. W. Walker, Attorney-at-Law. Other personnel of the bank are Thelma M. DeHart, Ruby Earles Gilley, Hazel W. Hailey, Jac C. Hamrick, Ruby H. Hamrick, Nina P. Hylton, Ann G. Jeffries, Lynda S. Johnston, Marguerite M. Kirks, Kay T. Overby, Marjorie L. Roberts, Frances B. Stack, Patsy M. Underwood, Margaret C. Vernon, Barney William Walker, and Louise H. Wilson.

The Leaksville Bank & Trust Company and its branches are dedicated to serving the banking needs of Leaksville-Spray-Draper, N. C. through the three basic banking functions; (1) To accept and safeguard deposits; (2) To transfer funds as ordered by the depositors through checks; and (3) To make sound loans to further the personal and business welfare of its customers.

Today, the Fieldcrest Mills together with the Leaksville Woolen Mill, The Morehead Mill, and the Spray Cotton Mills form the economic backbone of the Tri-Cities, employing more than 5,000 of its citizens.

In addition to textile manufacturing, numerous other industries have been established in recent years. Among these are Rockingham Block Company, a subsidiary of Boren Clay Products; Home Novelty Company (furniture); Roanoke-Webster Brick Company; the Southern Light-Weight Aggregate Corporation (Solite); and Litho-Webb (Printing).

PLANTERS NATIONAL

—Continued from page 70—

The system's 10th office was established in Rocky Mount's Walnut Shopping Center in November of 1957.

In July, 1959, permission was granted by the Comptroller of the Currency to establish an office in Greenville. The immediate and enthusiastic response from interested individuals and businesses of the Pitt County area was extremely gratifying—and the awarding of the construction contract to the P. S. West Construction Company brought workers to the "Quinerly Manor" site without delay.

Following the same procedure used at offices in Plymouth, Ahoskie, and Roanoke Rapids, operations of the Greenville office are under the supervision and jurisdiction of a local Board of Managers.

Additional capital stock has been issued, and a substantial portion was made available to interested individuals in the Pitt County area.

The bank, in addition to its commercial banking functions, operates a Trust Department, Farm Service Department, and a Time Payment Department. It is a member of the Federal Reserve System and the Federal Deposit Insurance Corporation.

BRANCH BANKING

—Continued from page 67—

serving as president of the North Carolina Bankers Association.

The bank takes its name from its founder: A. P. Branch, but it is a somewhat strange coincidence that it has become one of the larger branch banking institutions of this section of the country. The establishment of branches began in 1921 with an office at Bailey, N. C., which was discontinued later; but the establishing of branches continued with the opening of banks as follows:

Plymouth	1925
Warsaw	1926
Selma	1928
Goldsboro	1929
Fayetteville, New Bern and Williamston	1930
Elm City and Kinston	1931
Trenton and Wallace	1934
Faison	1936
Fremont	1938
Pikeville	1949
Raleigh, Stantonsburg and Saratoga	1959
Magnolia	1960

The Wilson Industrial Bank merged with Branch Bank in August of 1958. The bank has also established drive-in branches in Fayetteville at Haymount and on Rowan Street. Wilson's two drive-in branches are known as Five Points and West Nash Street.

The resources of the bank at this time, as shown by the Balance Sheet figures, aggregate approximately $120 million. The book value of assets held in fiduciary capacities by the Mortgage Loan and Trust Departments of the bank aggregate $40 million.

Branch Bank renders complete trust, insurance, farm management and loan services to the public. At the present time it makes and services FHA loans in more than 42 counties. These loans which now total in excess of $20 million have been sold to insurance companies, but are serviced by Branch Bank.

Title I FHA home improvement loans are available throughout the territory the bank serves as well as farm credit for the purchase or improvement of farms, purchase of machinery and equipment and crop production purposes.

In its trust department the bank offers farm management to all who might find this service useful.

The capital funds of the bank and its size permit it to lend more than one million dollars to a single borrower. This is particularly helpful to large industrial concerns located in its trading area.

Board of Directors

S. H. Anderson, Chairman, George T. Barnes, W. E. Barnes, H. S. Bateman, T. F. Bridgers, John A. Campbell, Jr., A. Branch Carr, F. L. Carr, Dr. Charles S. Cooke, E. B. Crow,

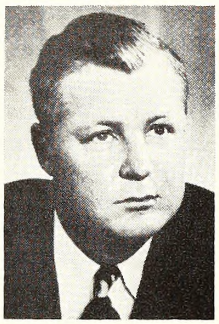
J. C. Eagles, Jr., John Graves, K. D. Kennedy, J. J. Lane, S. S. Lawrence, J. Irvin Morgan, Jr., L. A. Moye, J. E. Paschall, E. B. Pittman, W. R. Rodgers, J. L. Satchell, Will Carr Smith, Garland S. Tucker, Jr., R. P. Watson, Jr.

Southern National Bank "House of Service"

L. J. WATSON, *Vice President*

The Southern National Bank known throughout Southeastern North Carolina as the "House of Service" or the "Old Reliable" was first begun as the Bank of Lumberton in 1897.

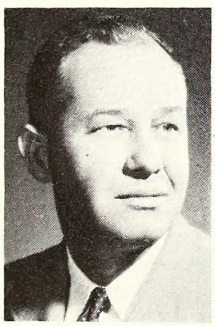
It has been in continuous operation since that date and has become through these years of service one of the most highly respected financial institutions in the South. It was the first banking company in Robeson County and is by some years the oldest bank in this section of the State.



McLEAN

The first president of the bank was Judge Thomas A. McNeill, honored citizen and for many years a Judge of the Superior Court. Soon after organization, Angus W. McLean was elected president and under his leadership the Bank grew and prospered. He retained the presidency during his service as Assistant Secretary of the United States Treasury, Chairman of the War Finance Corporation and during his four years as Governor of North Carolina.

In 1914 the Bank of Lumberton received its federal charter and became The National Bank of Lumberton. As a National Bank, its scope of operation was enlarged and its prestige for integrity and fair dealing was enhanced. It has continued to hold and add to that reputation through the years.



SHAW

McLean served as president until his death in 1935 and was succeeded by A. E. White. After White's death, Dr. R. S. Beam, business man and surgeon was elected to the office. Upon Dr. Beam's death in 1946, Morris F. Cobb, banker of Lumberton assumed the presidency. In 1955, Cobb was elevated to the position of Chairman of the Board and Hector MacLean became president.

The Board of Directors has always been composed of business leaders, citizens with vision who have directed its affairs in such a way as to make it advance and prosper with the community. The officers of the bank through the years have been major factors in keeping the institution sound and progressive.

In 1959, the name of the Bank was changed to the Southern National Bank, and in this same year the first branch was established outside Robeson County in Laurinburg, North Carolina. This began a new era for the Southern National Bank with expanded services to many fine North Carolina communities. This step was made with the earnest and compelling desire to render the same reliable and efficient service in all of its branches that it has been fortunate enough to maintain in its home office.

BROOM

In June of 1960, Southern National Bank opened offices in Hamlet and Fayetteville. These offices along with the Laurinburg office have enjoyed steady growth. Southern National is the only National Bank in Robeson, Scotland, Richmond, and Cumberland counties.

In keeping with the constant effort to provide the citizens of the communities it serves with the best and most complete banking services, Southern National Bank opened a complete Farm Management Department in 1959. Southern National became the first bank in Southeastern North Carolina and one of the few banks in the entire United States to establish such a department. This department in less than two years has had phenomenal growth, and has under contract for management during the 1961 crop year over nine thousand acres of farm and timber lands. The most unusual management contract that the Bank has is for a part of the old Laurinburg-Maxton Air Base property. Approximately one thousand acres of the base including part of the runways has been fenced and a feeder cattle operation is being carried out there. This has created interest far and near. Several national farm papers and magazines have published articles on the Air Base project.

CONDER

Some idea of the growth of Southern National Bank can be obtained from a comparison of figures: When the Bank opened on June 14, 1897, its capital stock was fifteen thousand dollars. On December 31, 1960, it's capital stock was $600,000, surplus $1,050,000, and total resources amounted to $17,024,825.79.

Quoting from President Hector MacLean's report to stockholders on January 10, 1961, "The Southern National Bank looks ahead with real optimism and confidence. We believe we are moving for-

—See House of Service, page 75—

First National of Albemarle Organized in 1917

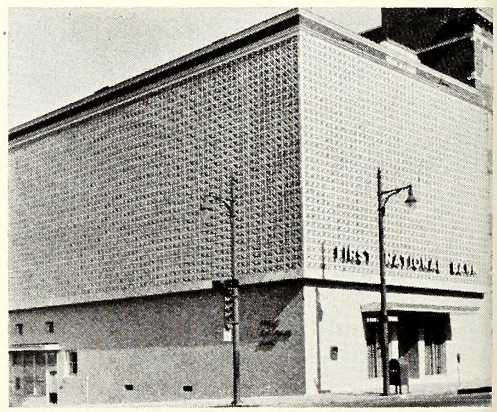
Responsible to the progressive citizens of Albemarle and Stanly County the First National Bank serves this thriving Piedmont community by providing security for savings, convenience of checking accounts, need for loans and productivity of capital. Proud of the balance between agriculture and industry exemplified by the county, this bank has ever prudently kept pace with the demands of those she serves.

The firm was organized in 1917 with Charter Number 11091 being issued to it on August 28th of that year. It began operation on October 20, 1917 with 101 stockholders. It is now in its 44th year of operation and grows steadily as the community it serves grows.

Today it is governed by a board of directors composed of ten prominent business and professional men. There are seven officers and a staff of 21 employees.

Housed in a recently renovated building located on the square in Albemarle the bank still has plenty of room for expansion. The structure, one of the most handsome in this section of the state, enhances the beauty of the downtown section of the city.

In the main banking room can be found the teller windows and the commercial loan department. Here also are the private offices for bank officials and conference rooms, together with vaults and safety deposit boxes. A separate department houses the installment loan section and it has its own entrance on West Main Street.



The bookkeeping department is located on the second floor. Here is found a new vault—completely fireproof—to maintain and store all bookkeeping records; storage rooms; a comfortable lounge and kitchen facilities.

The building's third floor is currently being used for storage but offers plenty of room for future growth and expansion. The directors room and a refreshment area are located on the mezzanine floor.

All furniture and fixtures are completely new and in keeping with present day banking. Modern machines provide

the institution with the very latest facilities for complete banking services.

The bank has capital funds and assets in excess of $6,000,000 with prudence and care constantly exercised by responsible supervisory authority in making investments and loans and in the daily transaction of business.

It is the policy of the bank to make every effort to give all accounts the highest type of service by maintaining adequate and modern banking facilities, to safeguard its funds, and to protect the privacy of its customers by employing qualified and courteous personnel.

The Commercial Bank observes the hours of from 9:00 a.m. until 1:00 p.m. each week day except Wednesday and Saturday when the bank closes at noon. The Installment Loan Department is open from 9:00 a.m. until 5:00 p.m. each week day except Wednesday and Saturday when it closes at noon.

Some of the services offered by the First National Bank are checking and savings accounts; cashier's checks; installment, personal, term and business loans; bank drafts; collection services; Christmas savings; drive-in banking; safety deposit boxes; and night depositories.

A checking account means convenience, economy, prestige, safety and accurate records. Time and effort are saved by paying bills by checks. A cancelled check, bearing the payee's endorsement is conclusive evidence that payment has been made. Your money in the bank is safe from robbery, hold-up, and loss by fire or other hazards. You avoid the necessity of carrying excessive cash at home or on your person.

A pay check drawn to a depositor's credit or other checks received and deposited are collected promptly and without inconvenience to him. This bank is, in effect, the depositor's bookkeeper, affording a simple, inexpensive method of handling income and expense.

Installment, personal, term and business loans are handled by personnel adequately trained to process, advise and counsel and credit is extended on a business-like basis.

Savings accounts and Christmas club accounts are given special attention and these resources give the depositors a sense of security and well being.

Ever mindful of the convenience of the customer the bank has a Drive-in window which provides the busy patron with a speedy and convenient means of banking without having to seek a parking place or having to brave the elements when the weather is bad. The housewife is a steady customer of this window because she does not have to change from the comfortable to dress attire to transact her business. Too, her children are never left unattended in a parked car.

After-hour depositories are provided to enable customers of the bank to make deposits after the bank is closed. These customers who use the depositories make arrangements with the bank as to how they want their deposits handled. They may either ask the tellers to open the bags and count the money or they may elect to take the bags back to their place of business to make up their deposits.

This service eliminates the necessity of merchants keeping large sums of money on hand overnight or through the weekend, thus decreasing the hazard of robbery. There are also envelope slots in the depositories where customers with one or two checks or cash may make a deposit after the bank is closed.

The First National bank of Albemarle is proud of the people and the community that it serves just as it is proud of the services that its friendly and efficient staff render. Patronage is highly valued and the institution endeavors to have all services measure up to expectations in every respect. FIRST NATIONAL BANK OF ALBEMARLE is truly a "HOME - OWNED" and a "HOME - GROWN" bank.

HOUSE OF SERVICE

—Continued from page 74—

ward, and we feel that the economic climate in our service area for more growth and more progress is excellent. We shall continue to expand and improve our facilities in keeping with sound banking principles and dedicate ourselves anew to our pledge to provide the best in banking services to the communities we are privileged to serve."

President Hector MacLean's office is in the Lumberton Bank. K. J. Shaw is Sr. Vice President in charge of the Laurinburg office. Alston B. Broom is Senior Vice President in charge of the Fayetteville office. J. Richard Conder is Vice President in charge of the Hamlet office.

It is the desire of all the personnel of the Bank to live up completely to its slogan—"S.N.B.—Service None Better."

NORTHWESTERN BANK

—Continued from page 69—

the branches for assistance with farm loans and activities pertaining to agribusiness. A central advertising department has recently been inaugurated at the home office which directs all advertising within the system. This makes for better and more uniform advertising and keeps this expense within a budget set up by the Executive Committee.

Strong men with outstanding personalities characterize the leadership of The Northwestern Bank. Such men as Rufus A. Doughton and his brother, R. L. Doughton, exemplify this characteristic. R. L. Doughton, better known as "Farmer Bob" was a member of the U. S. House of Representatives for over 40 years. For many years he was chairman of the powerful House Ways and Means Committee. Mr. Doughton was on the Board of Directors of The Northwestern Bank from its formation until his death in 1954.

The story of Northwestern would not be complete without special attention to the influence of Dr. B. B. Dougherty who served as president from 1945 until 1957. One of the founders of Appalachian State Teachers College, Dr. Dougherty was known primarily as the "grand old man of education". His name stands along side that of Charles B. Aycock in the history of education in North Carolina. Yet he was a financial authority, too. Education was his profession; banking his hobby. Dr. Dougherty summed up Northwestern's principal of operations by saying, "The bank's directors started with a policy of building up capital, particularly reserves in order to give the greatest possible protection to its depositors. This policy has been continued over the years. In addition to achieving this goal, the bank stockholders have realized excellent dividends on their investment and increased valuation of their stock." This policy is still in effect as indicated by the bank's statement of December 31, 1960 showing a reserve of $1,704,518 for possible loan losses.

J. Kemp Doughton is another of the strong leaders of Northwestern. The son of Rufus A. Doughton, he represented Alleghany County in the legislature from 1949 until 1960, serving as Speaker of the House for one term. He is a former state and national bank examiner, was manager of the Richmond Agency of the Reconstruction Finance Corporation and general agent and board chairman of the Farm Credit Administration. Now he is Senior Trust Office of The Northwestern Bank.

Today, The Northwestern Bank is guided by the capable leadership of Edwin Duncan, an officer since its formation. He has served two terms as a member of the North Carolina Senate. He has been a member of the North Carolina State Banking Commission since 1954. He graduated from the University of North Carolina and entered the banking field as cashier of the Bank of Sparta.

Vernon Deal, Senior Vice President, is another important officer of The Northwestern Bank. He is widely known for his outstanding ability as a banker, civic leader and promoter of western North Carolina.

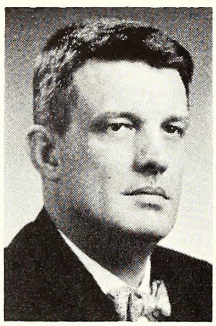
The Northwestern Bank has reflected the growth of western North Carolina and will continue to use its resources to promote the economic development of the area it serves.

SCOTTISH BANK SYSTEM POINTS TO 22 YEARS OF CONTINUAL GROWTH

By Vestal Taylor
Adv., PR and Business Director

The Scottish Bank System was born in the minds of men with a determination to bring better banking service and stability to their communities still gripped by the great depression of the 1930's. And in the 22 years since this system was announced to the banking world, its growth from less than three-quarter million dollars to 42½ million dollars in resources has amply justified the faith of its founding fathers.

Prior to the opening of a new system, organizers in Robeson County had encountered a number of setbacks, which at the time and each in its course were considered serious. There was agitation both for and against the establishment of a new bank in Lumberton, which had one bank serving the community as a survivor of the depression. But the sharpest blow to hopes of Scottish Bank supporters came with a denial of a charter by the North Carolina Banking Commission, following a hearing attended by interested parties. Yet this setback was perhaps a crucibal that fused the determination of those strongly desiring additional banking facilities in Robeson County.



TAYLOR

On receiving the denial, proponents overcame their disappointment and were unwilling to drop the issue or remain inactive. The late Frank McNeill ran for the legislature and was elected on a platform with a single plank which was composed of his support for the new bank which was running into stiff opposition. However, McNeill led the entire four man ticket running for the two seats available and took his seat in the 1939 general assembly.

Shortly after the election, a delegation was sent to Raleigh under the leadership of Cutlar Moore (now State Senator from Robeson) and this time the Banking Commission, having seen the will of Robeson County clearly expressed, granted a charter to the new Scottish Bank and its doors were opened for business on March 1, 1939.

Ironically it was a member of the State Banking Department, Captain John G. Allen, who suggested "The Scottish Bank' as an appropriate name for such an institution setting its roots down in an area predominantly populated by descendents of the early Scottish settlers.

The geneology of the Scottish Bank is intermingled with an aggressive and brief history in a manner that blends age and long years of service in its communities with the alert hustle of a new and growing organization. This combining of good factors was a feature of Scottish System Banking from the beginning.

From the beginning a large number of citizens from both Lumberton and the surrounding area had been interested in the founding of a new bank and after the charter grant these men became active in its organization. At Red Springs and Pembroke, where banks had been in operation for many years, there was strong sentiment to combine forces with the group from Lumberton for establishment of a three bank system, rather than a single unit.

Though not the oldest bank, from point of origin now in the system, the anniversary of the Red Springs Bank marks the actual beginning of the Scottish Bank. Founders of the bank of Red Springs opened their institution on March 11, 1901, and as a result the first geneology of the Scottish system runs back to that date. As a matter of fact, the entire system is actively celebrating its sixtieth anniversary at this time.

Another direct ancestor of Scottish and its symbol, Sagacious, the bank of Pembroke has just turned its half-century mark within the past year. The Pembroke unit opened for business in 1910 and was known for years as 'Cooper's Bank' for the founding family of P. S. Cooper and his two sisters. Starting with meagre capitalization, as most banks did in years past, the bank of Pembroke faced and overcame early struggles, enabled in large part to survive by the heavy patronage by Robeson County Indians. In addition to its other adversities, the bank of Pembroke also survived five robberies in past years and for a time contended for honors as the most publicised small bank in North Carolina.

As both the older banks in Red Springs and Pembroke overcame their earlier trials and grew into substantial institutions in their respective communities, they were to become thoroughly compatable sister units for the newly created bank in Lumberton in a system that combined all favorable elements of age and aggressiveness to serve not only all of Robeson County but the heart of North Carolina.

An organization that is to become successful, and particularly one ambitious of becoming an institution must develop a personality, through the human personalities that guide and direct it. Such a personality has headed the Scottish bank system since its beginning.

John Porterfield Stedman was discovered and brought to the attention of other founders by J. Q. Parnell, a parkton merchant and a friend and business associate of Stedman's for several years.

While the group interested in founding the bank was looking for an administrative head for their new venture,

Salisbury Innes St. Branch Mgr. William T. Haward, and Asst. Trust Officer Ralph L. McQueen, (right). Sagacious McThrift.

Standing is Jahn E. Staughtan, Raleigh Asst. Cashier, and (right) Bawen Ross, Seniar vice president and trust afficer.

Left, Pembrake Cashier Earle Hall, and Left ta right, Salisbury Cashier Hiram J. Cuthrell, Vice President and Trust Officer E. H. Alexander, and Asst. Cashier H. E. Grogan.

Fayetteville (left ta right) Installment Laans Dept. Nathan Reynalds, Asst. Cashier Glenn Capps, Vice President Jahn B. Stedman, and Cashier Earl Bardin.

Seated Cashier Ed. Ayres; Standing, left to right, Asst. Cashier Annie L. Welch, Mrs. Muriel T. Canady, Phyllis Autry, Mrs. Rosa McNeal, and at typewriter, Mrs. Essie Cardwell.

Clinton Cashier D. J. Burnette, secretary (unidentified), and Mgr. Installment Loan Dept. J. H. Wrenn, Jr. Right, Archdale Cashier R. Earl Sides.

Inset: Garland Cashier Fred Liles.

Jacksan Park, Kannapalis, Pleas Narman; Jacksan Park Asst. Cashier Hectar Newtan; Kannapalis Cashier-Mgr. John Cackerman, Kannapalis Midway Asst. Cashier J. R. Ewing.

Stedman, an executive of F. S. Royster Guano Company, Paid a business call on Parnell, district manager for the company. In the course of transacting their business, Parnell began discussing the need for a man to head a new bank being organized and Stedman responded with interest. Parnell, with his friend's approval, placed John P. Stedman in nomination and won approval of the selection committee. He was so successful that he was elected the 58th President of the N. C. Bankers Assn. on May 22, 1953.

The new president of the Scottish bank system was no stranger to the field of commercial banking. Young John Stedman was born in Oxford, the son of a druggist. He attended public school there and later the University of North Carolina. On leaving the University, Sted-

Here are some of the modern main offices and branches of the Scottish Bank's system. Top, left to right, Pembroke, Archdale, Randleman; Second row, Innes Street Branch, Salisbury; Jackson Park Branch and Midway Branch, Kannapolis; Third row, Clinton, Raleigh, and Red Springs; Fourth Row, Lumberton, Salisbury, China Grove, Rockwell, St. Pauls, and the last picture shows the three general officers of the Bank: Bowen Ross, senior vice president and trust officer; John P. Stedman, president; and James W. MacCallum, vice president and Corporate secretary.

man enlisted in the National Guard and saw service on the Mexican border and in World War I, during which he rose to rank of lieutenant.

After three years in military service, Stedman joined the bank of Washington where in five years he rose to the post of assistant cashier and served as Secretary of the Beaufort County Building and Loan Association. In 1924, after the loss of his first wife, the banker turned real estate agent in Florida for two years, but returned to North Carolina as assistant cashier of the Citizens National Bank of Raleigh. This institution was merged into the North Carolina Bank and Trust Company, of which Stedman was made vice-president and placed in charge of the Raleigh unit, perhaps prophetic of another career that was to begin for him in 1939.

But there was in interim of varied, honored and successful careers in the years between.

In 1931, at the death of incumbent treasurer, Nathan O. Berry, Governor O. Max Gardner appointed John P. Stedman, then only 37, to serve out the unexpired term as State Treasurer. Stedman served in the post for one year and was reelected for a full, four-year term. It was of this period that Stedman has said:" I did the best Job as State Treasurer that I've ever done in my life."

The statement is well taken, for the State of North Carolina was at that time seven and one half million dollars in debt. Stedman, the youngest treasurer ever to serve the state, managed to borrow the amount from banks in New York and North Carolina. Banks in this state, although struggling, secured an approximate five million dollars of the total needed to meet North Carolina's obligations.

Before he qualified for his full, four-year term, Stedman resigned as treasurer and accepted appointment as executive Vice-President of the Regional Agricultural Credit Corporation of Raleigh. This agency was soon abolished by the Roosevelt administration and Stedman was sent to Albany, New York to liquadate a similar agency there.

Then in 1934 he joined the F. S. Royster Company as assistant treasurer, and remained with the company until 1939 when he offered his services to the new and fledgling Scottish Bank, whose acceptance of his offer would require the new president to take a 50% reduction in salary.

Asked later why he left what most would consider an excellent job with Royster to come with Scottish, Stedman replied: "I don't know exactly—I just wanted to get back to North Carolina, and I always wanted to get back into banking."

But back in the banking field the ex-banker, treasurer, soldier, realtor, federal official and fertilizer man found the going rough. Although the founders of the Scottish Bank were optimistic and its supporters were numerous, it had established competition and money was still tight in the year 1939. At home there was a serious heat problem during that first, bleak winter. It seemed to rain incessantly for weeks on end, there were internal problems but the biggest difficulty was business failing to come in as fast as anticipated. But there were the men of determination. President Stedman and those around him simply doubled, then redoubled their efforts, and no effort was left undone both to succeed financially and to offer full financial service to the community.

Public relations played a large role from the very beginning of the Scottish Bank, with projects, contests and personal contacts undertaken. One result of contests brought the banks their key slogan, "Better Banking." Bank personnel wearing Scottish Kilts went to the tobacco markets in the late summer and fall wearing sandwich boards, and Scottish Deposit Slips were placed on tobacco piles, cooperation was extended to small businessmen and farmers and new blood lines of dairy cattle were shipped in while loans were made to other farmers and young members of four-clubs.

The Scottish Bank program began coming into full service and eventually the strenuous efforts began paying off, and as the system grew its people and their personalities grew and fused with that of their institution. An early example of fusion between better banking and personality came with president Stedman's irritation over a practice by an early vice president, W. O. Thompson, of moving a chair out to the sidewalk to talk with those passing by. Before long Stedman, himself learning the ways of 'country banking', learned that the Thompson practice and personality was such good banking that he not only approved of moving a chair outside, he had benches placed in front of the bank and began spending some of his own time there, chatting with passersby.

Though stories are interesting, no bank is built entirely on early stories, even of success, or on personalities alone. There also must come hard work, and devotion as well. The Scottish Bank stands these and the support and cooperation of its customers; the loyalty and tireless energy of its employees. Their president is first to recognize the Scottish debt to the public and employees. Stedman's policy from the beginning has always put the customer first and insistence on recognition of employees for their efforts. Many of the Scottish bank officials at present are men and women who were trained in the bank and promoted to positions of greater responsibility and reward.

In spite of the discouraging first months that began to brighten slightly as they grew into years, the Scottish bank system prematurely celebrated its third birthday by adding the first new unit since organization. The event was the opening of a branch in Garland, and was premature only in the date February 10, 1942, just 18 days before a full three years of operation for the system. This fourth Scottish Bank furnished the citizens of Garland with the first local banking service they had had since 1933. In that year the previous bank of Garland was liquidated and all of its depositors were paid off but local stockholders lost their investment when final settlement was made with depositors, and for nine years the community was handicapped for lack of a financial institution.

The big step into Garland was followed in little more than a year with the acquisition of the St. Pauls Branch of the Bank of Rowland. With announcement of the change that brought St. Pauls into the system, Scottish officials promised full banking facilities and services to the community that would bring a new era. Their promise was prophetic, for the new operation was successful to such an extent that at the end of three years an entirely new bank building had been constructed and put into use for St. Pauls Customers.

Growth was measured not only in units and geography they served but by dollar growth as well. On March 1, 1944, the system celebrated its fifth birthday and in doing so announced to the public that resources stood at well over 5½ million dollars. In mid-summer of that same year, the Scottish Advertising Campaign, which has always accompanied public relations and personal contact, announced a contest of answers to the question: "Why have the Scottish bank deposits increased almost ten times in 5½ years?"

One year later, when the sixth anniversary was at hand, the bank took the occasion to note that resources then stood at almost 8½ million dollars. At the annual meeting on January 9, 1946, with less than seven years in age, the Scottish Bank had resources that totalled almost 11 million dollars. World War II was ended and a new era was just beginning for Scottish and all people and institutions.

On May 28, 1946, stockholders received copies of a letter from President Stedman informing them that plans were under way for establishing a new bank in Salemburg. This was to be the second entirely new branch since organization. Efforts here were successfull and slightly less than one year later, still another unit was added in fair bluff, on May 10, 1947. The Farmer's and Merchant's Bank of Fair Bluff was a venerable organization having earlier been formed by a merger of the original Farmer's and Merchants and the bank of Fair Bluff in 1924. The latter bank opened initially on April 30, 1905 and had offered service to the community directly and through the merger from slightly more than 42 years when acquired by the Scottish system.

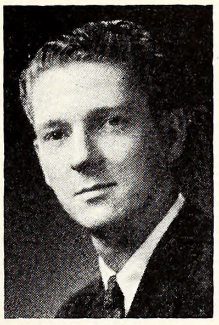
—See Scottish Bank, page 81—

FIRST-CITIZENS' PHILOSOPHY CONCERNS "PEOPLE"

"People are not dependent upon banks, but rather, banks are dependent upon the people" states Lewis R. Holding, president of North Carolina's third largest banking institution, the First-Citizens Bank & Trust Company.

"Banks have begun to realize that in these days of formidable competition customers do not beat a path to your doors. Today, its not only the services you offer but the ways in which the service is offered and the people who offer them in behalf of the bank that makes the difference," the official reports.

The dynamic 33-year-old banking executive adheres to the belief that a bank must offer a complete line of various financial services, experienced, energetic and even sympathetic personnel, attractive, modern and convenient facilities and, perhaps most important, a sincere desire and willingness to be of service. Bankers must be sincere salesmen, confidants, good listeners and sound advisors to render true service.



POPE

With such a philosophy as its creed, First - Citizens has made truly amazing progress since its beginning in 1898. It is a bank with size and stature, organization and system, knowledge and experience and, faith.

In fact, faith may have played the major role in the success of First-Citizens throughout its 63 years.

Actually, First-Citizens is something of a paradox in that it was believed impossible that a bank could grow to any appreciable size in an area which was completely dominated by an agricultural economy. During the first five decades or more of its operations, there were no industrial plants of any magnitude in communities served by the bank. There was almost no economic diversification, no balancing factor should agriculture fail to produce its potential. The growth of First-Citizens in an area abounding with such a possible handicap is, indeed, phenomenal.

Many have said the bank progressed mainly because of hard work and tireless energies. Others credit a number of top bank officials. In truth, these and many other reasons have been contributing factors; however, the paramount contribution may well be that the bank and all its people had faith in the areas served and faith in the people who lived and worked in the banking area of First-Citizens.

That which was received in the bank in the way of deposits was, in turn, put back into the area in the form of loans, community development projects, salaries and wages, taxable investments, improvements and contributions. The bank and its personnel have continuously taken active steps toward strengthening the agricultural economy and at the same time developing an industrial economy.

The philosophy, the faith and the efforts have made First-Citizens a highly respected and growing banking institution in North Carolina.

President Holding practices what he preaches and he encourages the more than 800 employees in First-Citizens to do the same. He will tell you that his first lessons in both banking and salesmanship were taught him the hard way by a master of both, his father, the late Robert P. Holding.

Until his death in 1957, "Mr. Bob" Holding was First-Citizens Bank. The Institution's history was actually a success story of the elder Mr. Holding.

Joining the Bank of Smithfield as Cashier in the early 1900's, Mr. Holding began a meteoric career which culminated in his being elected President of the North Carolina Bankers Association and observing the growth of a small country bank into one of the modern financial systems in the nation.

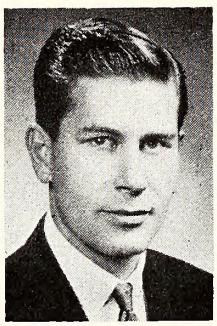
Organized in 1898 in Smithfield, N. C. the Bank of Smithfield began operations with only $10,000.00 in paid-in capital. In 1921 it consolidated with another bank and became known as the First-Citizens Bank & Trust Company. Five years later, Mr. Robert Holding was made President of this organization.

When most bankers were taking rather pessimistic views of the banking business in those late 1920's, Mr. Holding took a different view, one of complete optimism. In 1929 banks began closing in the smaller North Carolina towns, but Holding and First-Citizens launched a massive

LEWIS R. HOLDING

Born in Smithfield, N. C., the second of three sons of Mr. and Mrs. Robert P. Holding.

Graduated Smithfield High School 1944; graduated Darlington School, Rome, Ga. 1945; Attended Wake Forest College 1945-46; graduated University of North Carolina, Chapel Hill 1950; graduated Harvard Graduate School of Business Administration 1952.



Served in the United States Air Force as a Second Lieutenant 1952-53.

During his teens and early twenties, he worked for First-Citizens Bank & Trust Company in several branches, including Smithfield, Burgaw, Morehead City, Clinton and Angier. Upon his discharge from the service he was re-employed by the Bank in the Smithfield Office.

Became Assistant Vice President of First-Citizens Bank & Trust Company in 1954.

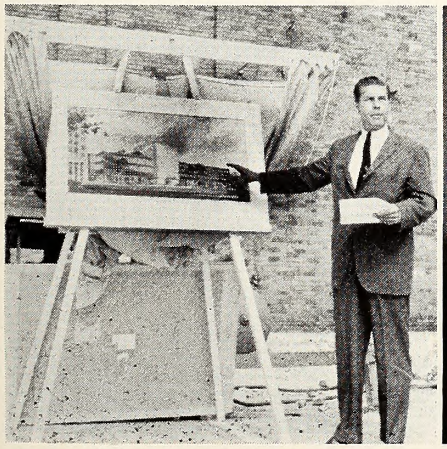
Placed in charge of the Raleigh Office, largest in the bank's system, in 1956 and made Vice President in 1957.

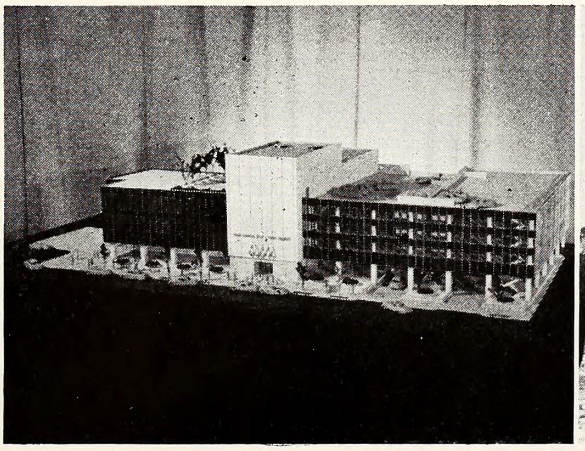
He was promoted to the office of President of the Bank in September of 1957 upon the death of his father, the late Robert P. Holding.

In 1958 he was named "Man of the Year" in Raleigh. In that same year he was elected president of the Young Bankers Division of the North Carolina Bankers Association.

Mr. Holding made the trip to Europe with Governor Hodges' industry team in the fall of 1959 and has made a number of visits to areas in this country seeking industry for North Carolina. He is a director of the Business Development Corporation of North Carolina.

He served as State Chairman of the Crusade for Freedom in 1959-60 and made a trip to Europe in 1959 to gain further knowledge of the Crusade and Radio Free Europe. Records were set in contributions both years of his chairmanship.





First-Citizens Bank & Trust Company President Lewis R. Holding points out the major features of the Bank's new Fayetteville office at an unveiling in September of 1960. Center, shows scale model of the massive new office building scheduled for completion by November, 1961, which clearly indicates the details of four floors for banking and offices, plus a four-story parking garage. The Bank will have the largest lobby in the southeastern United States, covering more than 17,000 square feet. Right, depicts three members of the Bank's Board of Directors in Fayetteville as they turn the first spades of dirt for the new building. They are, left to right, J. M. Wilson, J. T. Maloney and Tildon Walker. In the background are bank executives F. P. Bodenheimer, Jr., Lewis R. Holding, Robert P. Holding, Jr., and I. B. Julian.

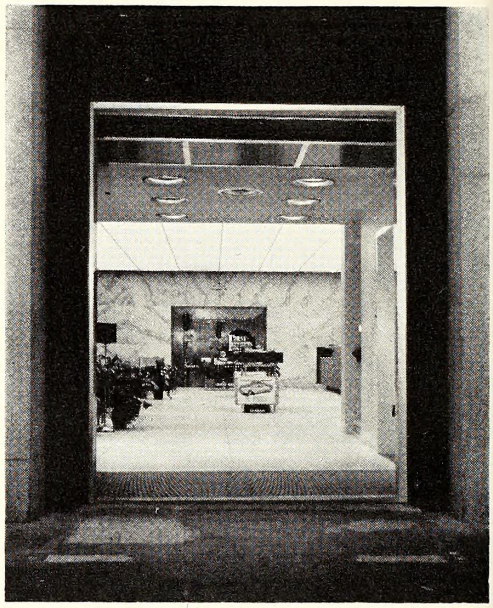
expansion program. In many instances, First-Citizens opened doors for banking business in towns where bank failures had taken place only a few days before. This unorthodox method of expansion proved to be one of the deciding factors in the bank's future growth.

Before he died in August, 1957, Mr. Holding could clearly see these accomplishments: The bank had risen in total resources of less than $250,000 when he joined the bank to over $200,000,000. It had become one of the largest 150 banks in the United States, third largest in North Carolina and one of the 300 largest in the free world. Further, he could see his expansion dreams become fact for the system he began had grown into more than thirty North Carolina towns and onto three military reservations. But above all, Mr. Holding's firm convictions that service to the customers is the only policy had been established as the rule and not the exception in every office of the bank. "We Never Forget To Thank You" was a slogan the bank began under his administration, and has dedicatedly practiced.

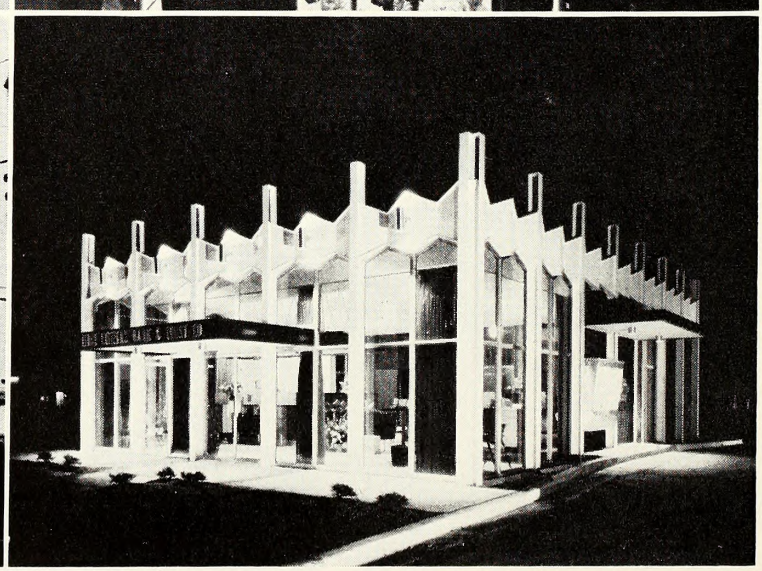
Perhaps, in a number of ways, the bank has made even more spectacular progress since 1957. Among his accomplishments, the elder Mr. Holding was careful to train and bring through the ranks an elite corps of banking officials who took the helm upon his death.

Among these were three sons who had been educated in a personal school of banking hard knocks. Robert P., Jr., Lewis R., and Frank B. cut their teeth on a bank vault door, took their first steps in a First-Citizens lobby and, most likely, uttered "First-Citizens" as their initial words. Each was schooled in finance and business administration before he ever went to college for all the sons spent their summers working in various capacities in the bank.

Upon Mr. Holding's death, the Holding brothers and the fine group of highly efficient and organized officers throughout the system took the reins of management. Robert Jr., became Chairman of the Board and Lewis assumed the presidency and the administration of the bank's operations.



The first air curtoin door in the southeostern United States offers on impressive entronce to the modern First-Citizens banking lobby in Chorlotte. Mointaining comfortable ond constont temperoture inside without the use of doors, regordless of exterior weother conditions, the unique air curtoin lobels First-Citizens as o poce setter in modern finonciol focilities.



Top left, offering convenience to o lorge segment of the Hovelock-Cherry Point population, this Slocum Villoge branch office is symbolic of the preogressive steps being mode by North Corolino's third lorgest bonking institution. Right, four of the bonk's top officiols gother ot the opening of the Charlotte office in November, 1960; from left to right, Lewis R. Holding, president; Frank B. Holding, vice president; George H. Broadrick, vice president; ond Robert P. Holding, Jr., choirmon. Lower left, locoted on "bonkers squore" ot the corner of Tryon ond Fourth Streets, Chorlotte, First-Citizens impressive building is the lost remoining bonking office in the city utilizing true Greek architecture of experience and dignity. Right, Combining orchitectural innovotions ond modern bonking focilities, this night view of First-Citizens West Side Office, Kinston, is o striking exomple of convenience plus beouty.

In the three and a half years since this "new management" undertook the reins the bank's assets have increased by more than $20,000,000 to above $260,-000.000. And there has been expansion in other areas as well. During the past three years the bank has opened offices for the first time in Charlotte and Wilmington, added new branches in eight locales, built new buildings or remodeled existing facilities in seven towns and have approval to enter three new communities. Remodeling projects are also slated for several areas.

The expansion and growth program, both in terms of new areas and buildings and internally through personnel and organization, means better balance and diversification for First-Citizens Bank & Trust Company. Service to an eastern agricultural area, a military segment, the industrial centers, the port comunities and the State's capital city offers to the bank an economic solidarity, a broader foundation and the ability to offer complete financial services to people in all walks of life.

The bank and its personnel have continuously made outstanding contributions toward developing the industrial potential in the State as well as strengthening the agricultural aspects. Through sponsorship of the Outstanding Young Farmer Program with the North Carolina Junior Chamber of Commerce, the bank encourages better farming practices by the farmers of the future. Many of the bank's officers and personnel serve on local committees which seek industry to locate in their communities, and First-Citizens has aided greatly in the preparation of presentations for this purpose by individual groups, both physically and financially.

Lewis R. Holding is among North Carolina's foremost advocates and workers towards industrial expansion within our borders. He was one of sixty-eight North Carolinians who toured Europe with former Governor Luther Hodges telling the Tarheel story to businesses in 1959. Presently he serves on a special committee in the same vital area. He and the bank have taken active part in selling the State to industries in other parts of the Nation and such as Philadelphia, Chicago and New York. Through direct contact with individual businesses and because of the active role being played in the various units attracting new plants to our State, First-Citizens has aided in the actual location of a number of industries in North Carolina communities.

It is not a wholesale nor a retail banking firm but, as one First-Citizens official says, "we're a community bank, serving on a local level, regardless of the locale. We have no 'little customers', for we feel each person doing business with us is an important customer, regardless of his bank balance. We try to do what is needed for the individual and the community we serve. Its that simple."

No longer can First-Citizens be termed just an agricultural bank or an eastern bank, for through the years it has changed both of these factors while maintaining a definite personality as a friendly, easy-to-get-along-with firm. How did it grow strong and spread into other areas, many of them being highly impersonal business centers, and still keep this down-to-earth atmosphere?

"Our people are themselves, regardless of where they work," says Holding. "People make a bank, not buildings or resources alone, and we think our people are the best. A genuine, warm and friendly person usually stays the same and his personality becomes the bank's personality. He creates an image for the bank through his actions. That's why we believe our greatest assets are our own personnel."

What lies ahead for First-Citizens Bank & Trust Company in the years ahead? What are the plans, the potential, the prospects?

"Our future is the future of those we serve and the area in which we serve," the bank's president says. "We will strive to make it a bright future through continuously offering complete banking services in an efficient, cordial and satisfactory manner to all who do business with us. Through such a mutual arrangement, we believe the years ahead will be prosperous ones."

With a philosophy of willingness and desire to be of service and a deep faith in both the people and the communities it serves, First-Citizens' bright outlook appears to be well-founded.

Lexington's Industrial Bank Organized 1928

The Industrial Bank of Lexington was founded in 1928. The present officers are L. M. Grimes, Sr., President; L. M. Grimes, Jr., Vice President; J. G. Grimes, Vice President; and Miss Elizabeth Hutchison, Cashier. The staff consists of Mrs. Ann Owen, Bookkeeper; Miss Mary Clodfelter, Teller; and Miss Bonnie Everhart, Clerk-Typist. The Board of Directors is composed of the officers as mentioned and J. V. Moffit, Jr., Mrs. L. M. Grimes, Sr., and Mrs. W. O. Burgin.

The Bank's business consists primarily in savings and loan operations. It has an Insurance Department and writes all forms of Automobile, Casualty, Marine, Fire, and Bonds. The type loans are commercial, personal, farm, automobile, real estate, life insurance, and stock collateral loans.

They do a general banking business with the exception of demand deposits or checking accounts. They have safe-deposit boxes which are offered, and we sell money orders and travelers' checks.

Our total assets or resources total one millions six hundred thousand.

SCOTTISH BANK SYSTEM

—Continued from page 78—

The next acquisition was the first move of the Scottish system into the Piedmont when the bank of China Grove was merged on March 27, 1950. Here again a long tradition was brought with the unit bank, dating back to 1903, and an unusual history was woven into the fabric of Scottish personality. The bank of China Grove is believed to be the only bank in North Carolina history to be organized and operated by an ordained minister, the Reverend C. B. Miller. Mr. Miller founded the bank after efforts to persuade friends in the field to establish a branch of their institution in his town. He served in various capacities with the bank, rising to become president, the post he held until resigning in April 1909.

It was at this point that a new personality made his appearance and almost immediately was adopted as a belated founder, and one of the best known figures in North Carolina Banking.

Sagacious McThrift was born more than 11 years after his system was given life and his parentage was the minds of many participating in a contest to select a fitting figure to serve as a symbol or trademark. His dour countenance came from an old, obscure work of art, and his name was drawn from two winners, tied for top honors in that contest. One submitted "Sagacious McThrift" the other "Laird of Lumbee" and their efforts were both so well liked that they were combined as "Sagacious McThrift, Laird of Lumbee" and duplicate prizes awarded. The name and face are now trademarked and appear in all banks in portraits and in advertisements, statement and stationery insignia and watermarks. His name speaks for itself in meaning and intent, while the dour countenance bespeaks his realization of the awesome responsibility for faithful attendance to money matters, traditional with the Scottish.

Shortly after heralding the arrival of its newest member, Sagacious, the Scottish officers announced merger with the First National Bank of Salisbury, on October 18, 1951, which actually became the oldest unit in the system, dating back in continuous service to 1883. After acquiring the Salisbury Bank, the Scottish chain had added greatly to its position in the Piedmont and the China Grove unit by consolidation with one of the oldest and most respected banks in the state.

Another banner year was announced to stockholders at the annual meeting in January 1952, when told resources had climbed to 18½ million dollars and a large stock dividend was declared.

And another addition of an established unit was announced in late 1954 when the Peoples Bank of Randleman became the tenth unit in the Scottish system. As in Fair Bluff, the People's Bank had

—See Scottish Bank, page 90—

NORTH CAROLINA NATIONAL IS THIRD IN SOUTHEAST

By Addison H. Reese,
President of North Carolina National Bank

Banking history was made in this state on July 1, 1960, with formation of North Carolina National Bank, which came into being as the third largest commercial banking institution in the Southeast, and the 60th largest bank in the nation. It is the largest national bank in the Carolinas and Virginia.

REESE

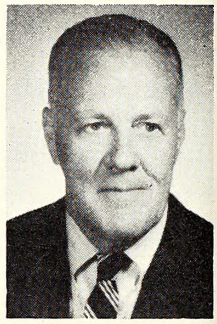
North Carolina National serves 10 major cities, operating 51 banking offices in a network that stretches from Wilmington's busy port, through the rich farming area of the Coastal Plain, the exciting industrial Piedmont, to Charlotte's vast distribution and manufacturing center.

With our capital funds of more than $41,000,000, ample reserves, and resources exceeding $500,000,000, North Carolina National can meet the banking needs of anyone from a single individual to a giant business or industry. Of the 25 largest corporations in the United States, 17 do business in this area, and 15 of these are customers of our bank. Yet you will find many, many small businessmen and farmers in our clientele.

History

Although the newest major bank in the state, North Carolina National is at the same time the oldest. Its roots go back to The Commercial National Bank, organized in Charlotte in 1874—the oldest continuous banking operation in North Carolina. On November 29, 1957, Commercial National merged with the American Trust Company of Charlotte, founded in 1901, and at the time of the merger the largest unit bank in the Carolinas. A unit bank is one operating within the limits of a single city.

Then on October 30, 1959, the First National Bank of Raleigh, organized in 1937, merged with American Commercial.


VANSTORY

Security National Bank was formed in the depression days of August, 1933. It became the largest national bank in the state, with headquarters in Greens-

Top left, Ed Kirk, vice president, NCNB's Industrial Customer Relations Department, Raleigh, looks over expansion program with Stanley J. Wiemer, resident vice president, Nationwide Mutual Insurance Company, Raleigh. Right, Arnold Briggs, president of Austin-Heaton Company, Durham flour millers, is shown describing the merits of his Occo-Nee-Chee flour to his bankers, Scaville Wannamaker and Meredith Jones, senior vice presidents of North Carolina National Bank, Durham.
Bottom left, Zalph Rochelle, personnel manager of Tomlinson, Inc., High Point is shown "tailing" machine as C. M. Allred, senior vice president NCNB, High Point.
Right, Watching operations in hosiery manufacture at Kayser-Roth Corporation, Burlington, are: E. H. Foley, Burlington NCNB senior vice president; Joseph J. Bird, vice president of Kayser-Roth; Gorman Allred, K-R plant superintendent; E. Gordon Malone, NCNB vice president; I. B. Groinger, Jr., K-R Hosiery Division vice president; and Carlysle Isley, K-R public relations and personnel manager.

boro and offices and branches in Burlington, High Point, Raleigh, Tarboro, and Wilmington. On September 5, 1959, The Depositors National Bank of Durham, also born in 1933 merged with Security.

Then on April 8, 1960, Guilford National Bank of Greensboro added its strength to Security. Organized in 1934, Guilford had become the largest unit bank in the state by the time of the merger.

In the 1959 annual ranking of the nation's largest banks by the authoritative **American Banker,** American Commercial stood 118th in size in the United States, and Security, 180th.

On July 1, 1960, American Commercial and Security climaxed their well-planned programs of growth by the merger that created the North Carolina National Bank. This was a beginning, not an end.

On October 7, 1960, Merchants and Farmers Bank of Statesville, which had had a correspondent relationship with American Commercial for more than 40 years, merged with the state's most dynamic banking institution. Merchants and Farmers, organized in 1908, operated branches in nearby Harmony and Troutman.

Then on December 30, 1960, First National Bank of Winston-Salem merged with North Carolina National. Organized in 1934, First National was at the time of the merger the state's largest unit bank.

Each institution contributed its good reputation, sound assets, physical resources, top-flight management staff, its loyal customers, and interested stockholders to the solid base on which North Carolina National Bank is building for the future. All of the city offices continue to operate their various branches as before.

The 1960 rankings of the **American Banker** showed North Carolina National the 60th largest bank in the nation.

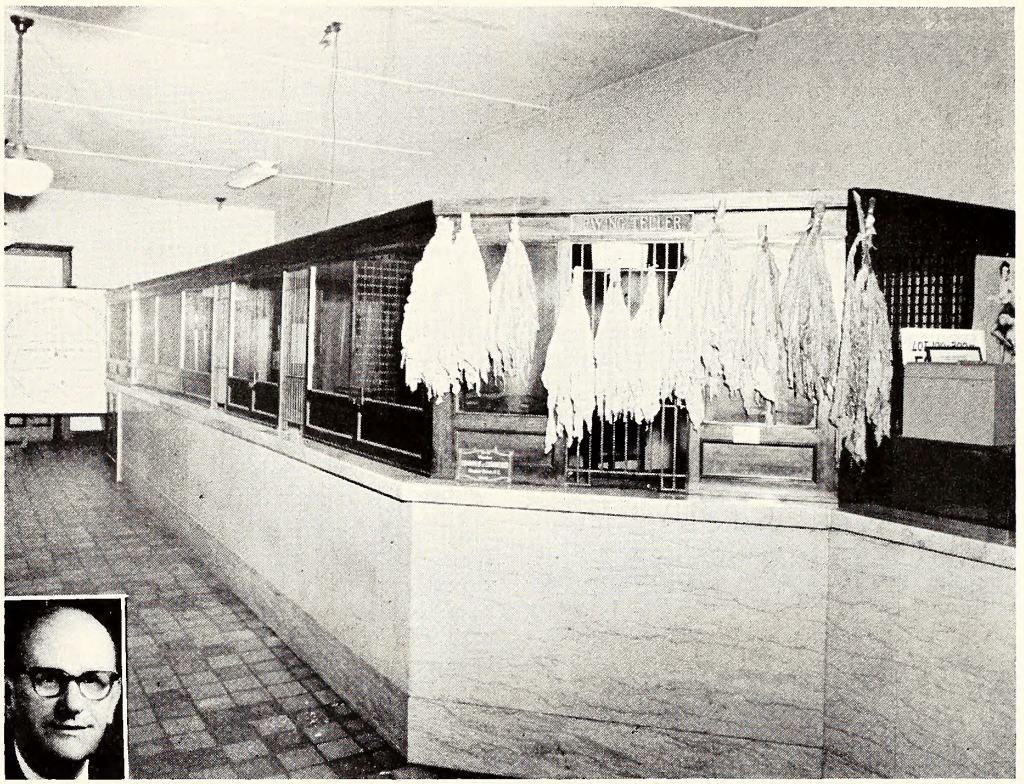
Our series of mergers brought on some good natured kidding. There was the story that one banker in Raleigh had worked for five banks in the last year, and hadn't moved from his desk. Actually, he had worked for just three banks. And he's still working for North Carolina National. While we had a laugh out of the story, it points up two important facts: 1. Although we have grown rapidly, we have retained the same high caliber personnel. 2. We intend to keep the same close personal touch with each community in which we operate.

There has been a lot of talk about mergers lately, and this is a good time to say where we stand on the subject. Each of our past mergers has been based on long-range advantages to the communities, the bank personnel, and the stockholders involved. Good management, growth potential, and sound assets have been and will continue to be basic considerations. Size alone means nothing to us. Size is important only as it enables us to render better service.

Personnel

We are especially proud of our personnel. Each individual has had an important part in bringing our bank to its present high status. All of our people meet the high qualifications of banking . . . integrity, reliability, and so on . . . but we look for something extra. We have found it. Our people have a warm, genuine interest in others, and they have a strong desire for professional growth.

Our 1,552 staff members, including 206 officers, comprise one of the largest bank staffs in the Southeast. Our continuous personnel training program provides replacements for normal turnover as well as personnel for future expansion. We emphasize outside schooling at such institutions as the American Institute of Banking, Graduate School of Banking, and other specialized schools and con-



The seosonal bronch office of N. C. Notionol Bonk in Winston-Solem is pictured here festooned with honds of tobocco. Farmers' checks ore cashed in this office which is odjocent to the warehouse oreo. Inset, lower left, shows Guy R. Dudley, senior vice president of NCNB.

Choirmon C. M. Vonstory, Jr., ond President Addison H. Reese of NCNB, weoring steel construction helmets, view the fromework of the bonk's new 16-story building in Chorlotte. At the right, is the way North Carolino Notionol Bonk's new building will oppeor when completed in 1963. The bank's operations are now in whot wos formerly known os the Commerciol Bank Building, which building will be demolished following North Carolino National's move into the tower portion of the new building in September of this year.

ferences. In 1960, 265 staff members took A.I.B. courses and 26 officers attended banking schools for general or specialized courses. Equally important is the guidance our veteran officers give to trainees.

We feel that one of our strong obligations is to select and train management personnel for the future. Constant training and evaluation result in promotions from within. We have an excellent college recruiting program to select outstanding graduates from this area.

Stockholders

Our capital stock is distributed among 3,783 shareholders living in 34 states, the District of Columbia, and two foreign countries.

Of the 2,093,900 shares outstanding, 741,059 are owned by men, 546,951 by women, 26,782 by individuals as joint tenants, 483,395 by corporations, 292,099 by fiduciaries, and 3,614 by charitable organizations.

On January 24 of this year we held our first annual shareholders meeting at Ovens Auditorium in Charlotte. Approximately 500 stockholders attended, including the great majority of our general and city board members. At this meeting the bank's owners had an opportunity to meet one another, to talk with our top management and directors, and to see our new Charlotte office building.

Our annual report showed that North Carolina National and its several predecessor banks had net earnings from operations of $4,236,208 for the year just ended. This amounted to $2.02 per share of stock outstanding. During the year dividends totaling $1,921,427 were paid to shareholders by our new bank and its predecessors. Total payment came to 45% of net operating earnings and 92 cents per share on the present number of shares outstanding. Since July 1, 1960, the regular dividend rate has been 25¢ quarterly, or $1.00 per year.

Deposits

Operating in 10 North Carolina cities over a wide geographical area with varying economic characteristics, our deposits have both stability and diversification. Further, the banks that joined together to create North Carolina National complemented one another so well that we have a splendid balance among our main categories of deposits.

At the end of the year, total deposits were made up of $85,060,800 in deposits due other banks (18%), $311,450,100 in other demand deposits (68%), and $65,-010,500 in time and savings deposits (14%).

To the individual depositor, North Carolina National offers several new features over those available at any of its predecessors. The small depositor finds an institution concerned with meeting his needs just as before. The local depositor finds numerous, conveniently located offices to handle his deposits and withdrawals. State and national firms have available a bank with facilities more than adequate for their requirements.

Last November we were first in the state to take banking to the people, by installing on-the-job banking service in plants and offices. Set up in cooperation with various firms, this move provides all the basic banking services in privacy and by mail. The plan allows company employees to make deposits to checking or savings accounts, or to apply for loans by mail. The plan is a time-saver for people who do not have a branch bank near their plant.

Deposits made in any of the bank's 51 locations can be credited **on that same day** to an account in any of the 10 cities in which we operate. Businesses may have their customers send remittances to post office boxes in any of these 10 cities for prompt collection by the bank.

Correspondent Banks

An unsurpassed national network of correspondent banks enables North Carolina National to make virtually instantaneous transfer of funds to business centers throughout the country. Our position of leadership in this field is one of our important attributes.

Despite restrictive money conditions and other factors, North Carolina National formed important new correspondent bank connections during the year, and strengthened old ties through intensive efforts of our experienced officers in this department. As new services have been developed and expanded, relationships with correspondent bank customers have grown in importance to them. The bank's entire staff of experienced specialists is always available to correspondents. By the same token we have at our service the specialists in our correspondent banks all over the nation.

Our network of correspondent banks, not only in this state but throughout all of the major money centers of the country, provides superior service to our business customers as well as our correspondents. We have a mobility of funds and a certainty of representation in distant transactions that cannot otherwise be obtained. Our services to other

Michael C. Brown, right, senior vice president, NCNB, with Al C. Smith, Wilmington States Ports Manager, inspect shipping sheets at the State Docks.

Mr. and Mrs. H. N. Hockett of Green Valley Farms in the Center Community of Guilford County helped their Center Grange win one of the NCNB's checks for a community improvement project. Shown at the Hackett farm are, left to right, Harry B. Caldwell of Greensboro, State Grange Master; Mr. Hockett; C. M. Vanstory, Jr., of Greensboro, chairman of the board of the bank; and Mrs. Hockett.

banks in check clearings, direction of business, and communications are unexcelled.

To the individual or corporation, our correspondent network expands to a nationwide scale our own bank's service of providing credit reports and other important data for our customers.

North Carolina National was the first bank in the state to establish a separate industrial development section as such. Our experienced staff is available to help both incoming and established industry to find and evaluate plant sites anywhere in the state.

Trust Department

We now have 30 trust officers in seven cities: Charlotte, Durham, Greensboro, High Point, Raleigh, Tarboro, and Winston-Salem. Their ability and experience are readily available, individually and collectively, throughout the broad area served by the bank.

During the past year substantial increases were shown in every phase of our Trust Department activities—in assets administered, gross income, number of new will appointments, number of estates, trust, and agencies administered, as well as in the activities of the

John G. Knox, senior vice president, right, and J. Allen Knox, vice president of NCNB's Statesville office, ore shown talking to Mr. A. G. Compbell, left, prominent dairy farmer of Statesville, Route 2. Iredell County is the leading doiry County in the Stote, both in Number of doiries and annual income.

Corporate Trust Department and the Pension and Profit-Sharing Department. The Common Trust Fund managed by the bank has grown to a value of approximately $9,500,000, representing investments of some 400 trust accounts.

Investments

At the end of 1960 our bank's investment holdings of government and government agency securities totaled $97,424,832, at cost less amortization. Other securities, mainly state and municipal bonds of short average maturity, came to $19,276,129. Average maturity of our government bond portfolio, not counting $21,000,000 in Treasury Bills, is two years and three months.

Municipals must meet our high standards; we buy them only after carefully investigating their marketability and the ability of the political unit to pay its debts.

Our government bond portfolio emphasizes liquidity to take care of seasonal fluctuations in deposits, and to provide funds for the loan portfolio as needed. Our policy is to provide this liquidity in Treasury Bill holdings, and to have a reasonably short average maturity in government bonds.

During 1960 the market values of government securities rose seven to 10 points from record lows of 1959. Since we had a large investment in these bonds, bought in 1959, this price increase added appreciably to the market value of our portfolio. We made a total profit of $1,560,805 on sale of some of these bonds. After providing for taxes, the remainder of the profit was put into our Valuation Reserve for Securities. This reserve amounted to $1,631,258 at the year end. It is kept as protection against possible market declines, and to give us flexibility in managing our investment portfolio.

Loans

At the end of 1960 our loans totaled $244,157,916, net after deducting a reserve of $4,522,822 for possible future loan losses. The amount is the maximum reserve allowed under the Treasury Department's tax formula. All known losses were charged against this reserve before the end of the year.

During the past year a strong demand for credit kept pace with our bank's expanding facilities and the economic growth of our area. Our loans to individuals and businesses have been as varied to the economy of the broad cross-section of the state which we serve.

We have been active in making interim construction loans on both residential and commercial properties. Our experienced staff has helped work out financing needed by new businesses moving into our area, as well as for expansion programs for established firms.

Securities

One of the main jobs of our Securities Department is the management, under supervision of our General Investment Committee, of our investment portfolio. We have a total of $116,702,149 invested in bonds and other securities.

The department adjusts the bank's daily money position, and invests cash funds that are temporarily in excess of our needs.

During the year we added a specialist in municipal bonds, to handle sales and underwritings . . . thus serving our customers even better in this field.

Our Securities Department strongly emphasizes portfolio analysis, bond safekeeping, and investment counseling for corporate customers and correspondent banks. These services combined with large dealer activities in government, government agency, and municipal bonds, enable the department to offer complete investment services.

Research

The Research Department is the only one of its kind in the state specializing in the Carolinas. Its work encompasses several fields; investment research, including current data on over 300 companies on which information is not otherwise readily available; compiling and

Discussing NCNB's annuol community improvement awards are, left to right, Harry E. Caldwell, Greensboro State Grange Master who was recently appointed by President Kennedy os chairman of the Advisory Committee to the Secretary of Agriculture; Addison H. Reese of Charlotte, president of the bank; J. S. Thomasson of Hamptonville, mastor of Windsor's Cross Roads Grange in Yadkin County; and Carl Brindley of Richfield, community service chairmon of Ridenhour Grange in Stanley County. In three years the bank has made awards totalling $5,575 to local Granges.
Lower left, Dallas Holoman, Jr., president of Boylan-Pearce, Raleigh, talks to T. W. Steed, senior vice president and trust officer, NCNB, Raleigh, about business conditions.

analyzing national and regional economic data; conducting basic research to develop new data on the Carolinas area; annual publication of a Carolinas business and economic survey; internal and comparative analyses of statistics on bank deposits, loans, income, expenses, net earnings and dividends; and special statistical and research projects on assignment.

These services are used by commercial and industrial customers, as well as correspondent banks, and, of course, our own bank management.

Our Carolinas Business Survey has been considerably expanded. We will be glad to furnish copies on request, or to supply any material from our data files.

Responsibility

We at North Carolina National Bank feel that we have a responsibility to the public above and beyond our basic responsibilities to our customers, employees, and stockholders. Individually and collectively our officers and staff

—See N. C. National, page 97—

WACHOVIA IS SOUTHEAST'S LARGEST BANK

The largest bank in the Southeast is located in North Carolina.

Across the state—from the mountains to the coast—Wachovia Bank and Trust Company offers the convenience of 73 offices in 28 cities and towns to provide broad, convenient banking services and extensive regional facilities.

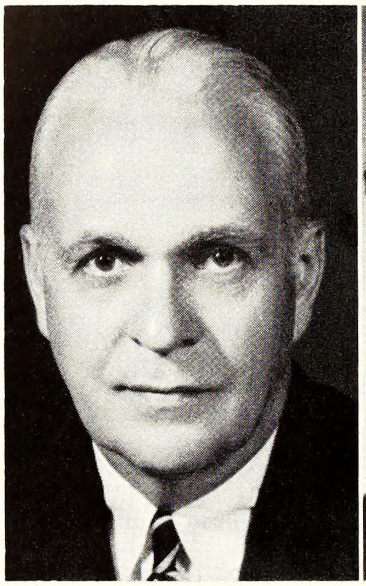
Into one banking institution Wachovia has combined the benefits of a local bank with the abilities of a regional bank. In this way it supports the economic development of each and every community with deposits and resources accumulated on a regional basis. Carolina businesses, as a result of this pioneering leadership by Wachovia, are no longer totally dependent on northern capital to finance their enterprises.

Since before the turn of the century, Wachovia has had a goal of continuing growth. Its traditional policy has been to aggressively seek deposits and to plough earnings back into capital. Its prime purpose has been and is to support the economic development of businesses, communities, the state and the region.

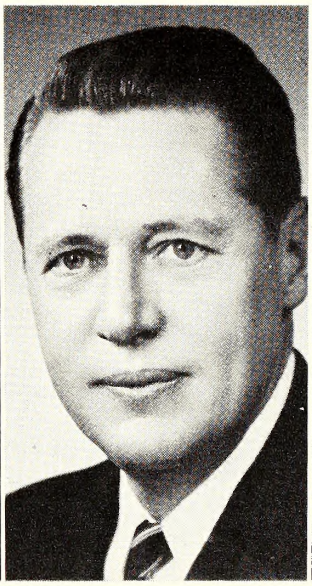
"There has always been in Wachovia," John F. Watlington Jr., Wachovia president, said, "a dynamic drive to grow—not just for growth's sake, but to serve. By serving, we become important."

The bank's progressive management has kept it in the forefront of progress through insisting on a sound, efficient bank, a bank offering convenient and dependable financial services helpful to both individual and business customers.

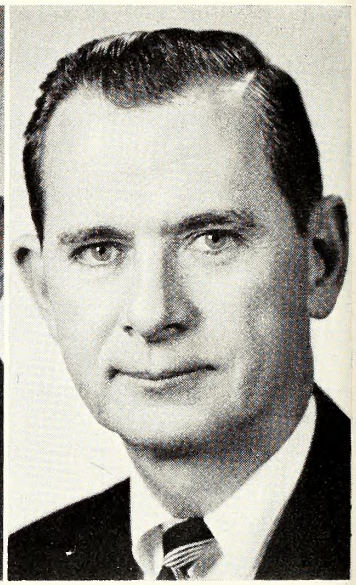
Mr. Watlington is chief executive of the bank, whose resources exceeded $800 million at the end of 1960. Archie K. Davis is chairman of the board, and Carlysle A. Bethel is vice chairman and senior trust officer. Their leadership is ably complemented by senior officers located in major cities across the state.



John F. Watlington, Jr.
President



Archie K. Davis
Chairman of Board



Carlysle A. Bethel
Vice Chmn. and Sr. Trust Officer

THESE ARE WACHOVIA'S SENIOR VICE PRESIDENTS

Robert M. Davis
John W. Spicer
J. Rascoe Adams

William H. Neal
Paul W. Sephanz
Edward G. Lilly, Jr.

Robert S. Nooe
Joseph H. Robinson
R. Lee Covington

Brant R. Snavely
Samuel T. Castleman
W. F. Snider

James H. Styers
Lawsan Withers
Robert H. Tate

Henry W. Harris
R. Wallace Howard
Fred B. Graham

Edward T. Shipley
Bland W. Warley
Meade H. Willis, Jr.

They are convinced that a healthy economy provides the foundation on which all business can grow. Knowing that the economic growth of the area and the success of the bank's customers has nurtured its growth. Wachovia officers and board members cooperate with other businessmen and community and state leaders to build and maintain the economy on a sound basis.

Said President Watlington recently: "We are constantly cooperating with the various organizations that are seeking to develop the economy of this region. Of first importance, we believe, is the assurance of a healthy economic environment that we must provide existing business. . .Our officers are constantly seeking out and calling on industrial prospects for our trade area while at the same time encouraging industries, both small and large, that we already have to expand their facilities. In this way, we all move forward."

To support this advance Wachovia has sought to meet the sound credit needs of southern enterprise. As a result of the bank's strong financial position, it is able to make loans for as much as $5 million to a single customer, a factor that has helped attract significant industry to the Carolinas. (Yet, a recent survey shows that 97.2 per cent of the bank's loans are for less than $5,000.)

Historically the Carolinas and the Southeast had an economy dependent to a great degree on tobacco and cotton. Wachovia management early saw the need for diversification and began a program in cooperation with other progressive citizens that has resulted in a better balanced economy.

By seeking to serve all segments of this economy, Wachovia has experienced its most dynamic growth.

It is known as The Tobacco Bank; it has financed more tobacco than any other bank in the world.

Many know it as The Textile Bank; it ranks high in textile financing.

It is recognized as The Sales Finance Bank; only three banks in the country finance more automobiles.

It is The Mortgage Loan Bank; it pioneered the techniques and handled more Capehart Military Housing Program loans than any other bank in the nation.

It is recognized also as The Trust Bank; its $935 million in trust assets rank it first in the South and among the first in the nation.

And it is The Bankers Bank; its correspondent deposits of $122 million are the largest in the Southeast.

Wachovia is all of these, and it is also The Bank For The Individual; while other banks of similar size elsewhere in the nation are still talking about going into retail banking. Wachovia has been in this phase for years.

Agribusiness is served through a highly trained and experienced staff of agricultural specialists working to improve farm opportunities in the area.

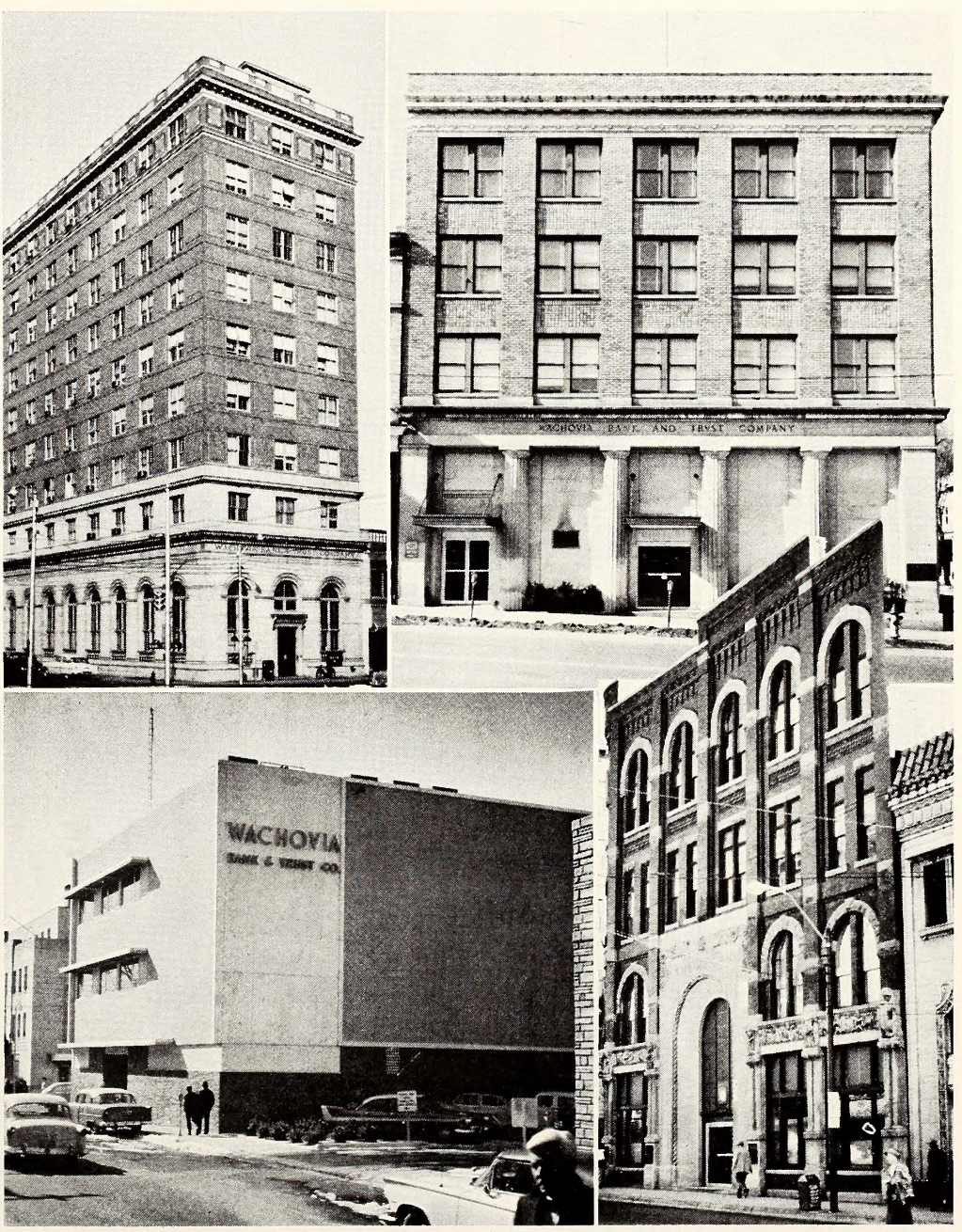
Increasingly Carolina communities are finding that Wachovia is able to provide financing for new buildings and other public facilities cheaper than financial institutions elsewhere in the nation. traditional sources until recent years for this type of financing. As a result of the bank's aggressive efforts in this field, its Bond Department is gaining increasing attention and ranks among the nation's leaders.

Because of increasing interest by Carolina businesses in foreign trade. Wachovia entered the international banking field and now offers complete services for the Southeast's export and import businesses. It is the only bank in the Carolinas with a department specializing in foreign banking.

An important facet in Wachovia's recent growth has been the convenience of its offices.

In the late 1940s, the bank began building neighborhood offices to provide banking services more accessible for both business and individual customers.

Long a pioneer in modernizing operational procedures, Wachovia has led in



Main Offices of (left to right top) Goldsboro and Salisbury, (bottom) Greenville and Asheville.

WHAT'S IN A NAME

Because of its size—39th of the 13,500 commercial banks in the United States—, its statewide facilities and regional services; because of its national recognition and international connections, Wachovia Bank and Trust Company has come to be recognized as a bank of many distinctions.

As distinctive as its growth and services to the region it serves is its name. What does it mean?

Pronounced Wah-ko'vee-yah, it is derived from a German word, Wachau (Va'kow), a picturesque area with rolling hills and sparkling streams in the valley of Germany's Wach River. The Moravians, who in 1753 settled on a Piedmont Carolina tract, saw great smiliarity in the upper Piedmont with their ancestral home in Eastern Europe. Because of this, they adopted the name Wachovia for their tract. The Moravian founders of the bank shared in these pioneer's rich heritage of industry, enterprise, resourcefulness and farsightedness. It was because of these traits that others trusted these people as bankers and guardians of their wealth, and it is because these traditions were accepted by succeeding generations of Wachovia management as their own that the bank has achieved almost constant growth over the years of its history.

bank automation. It was the first bank in the South to install Recordak to protect customers by photographing their checks. It was the first bank in the Southeast to adapt punched card tabulating procedures to any banking operation.

Save-O-Matic, Ready-Money, Special Purpose Savings are typical of Wachovia's recently inaugurated services supplementing in-plant banking programs, Time Payment loan services and the cus-

Main offices are shown left to right, (top) Charlotte, Burlington, Durham; (center) High Point, Wilmington, Winston-Salem; (bottom) Kinston, Greensboro and Raleigh.

tomary checking and savings accounts.

No let-up appears in the search for new services. improved facilities and more efficient procedures. The bank's future, its management believes, lies in continuing to seek new ways to offer Wachovia advantages, and constant attention is given to this effort.

Wachovia today reflects the strength and quality of its management. From its founding, the bank has had progressive leadership recognized not only in this state but also throughout the nation. Colonel Francis Fries, Wachovia's president for nearly 40 years, was one of the early leaders of the American Bankers Association. Robert M. Hanes, Wachovia president from 1931 to 1956, was the only North Carolinian ever to serve as ABA president. The counsel and leadership of present management is called upon frequently by major state and national groups, and two of the top management groups have recently headed major divisions of the ABA.

The communities having Wachovia offices also depend on this tradition of leadership. A resident senior vice president, who directs the bank's operations in his city and area, can also be found in the forefront of local civic advancement, ably supported by his associates.

A strength found in the bank's staff is that it is composed not just of finance and banking specialists but also persons with specialized knowledge in many fields such as engineering, chemistry and agriculture.

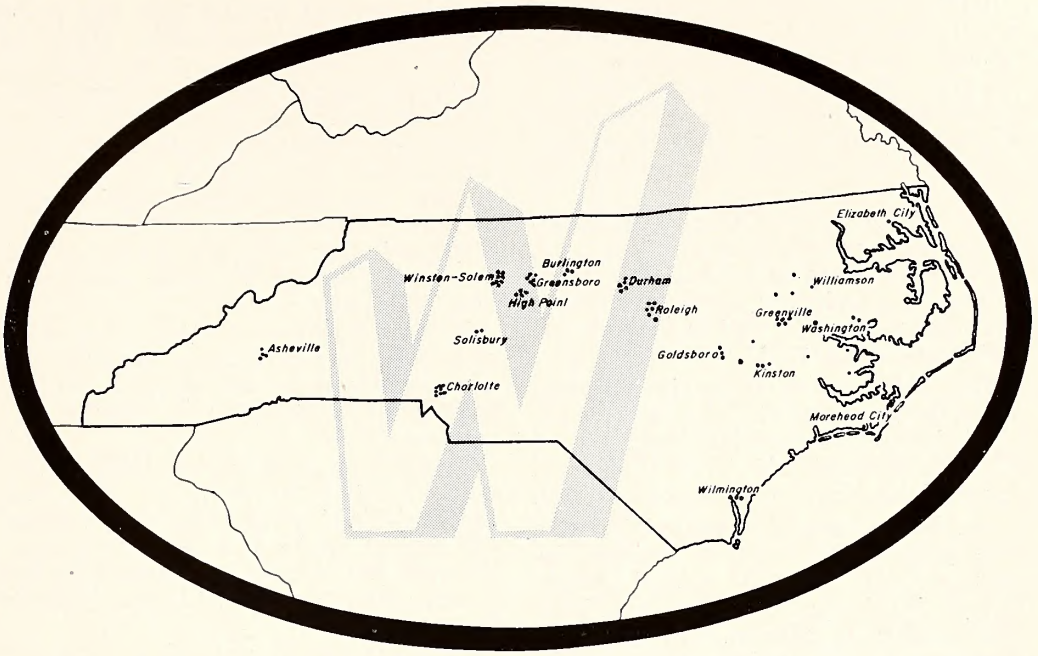
The engineering background, for example, is vital in working with industrial accounts. In these days when chemical fibers gain in importance almost daily in the textile industry, the value of a banker grounded in this field is obvious. For parallel reasons, the same holds true for agriculture.

Wachovia's management development program—recognized as one of the finest for banking in the country—and the diversified background of the bank's staff contribute significantly to its acknowledged depth of management.

The need for a statewide banking and trust institution, one which would have the breath and capacity to serve the expanding economy of the Carolinas, was realized early by Colonel Fries. His vision led him to expand Wachovia beyond strictly local limits early in the century.

Wachovia as a bank had its beginning in Winston in 1879 when the Wachovia National Bank opened for business. This bank was an outgrowth of the First National Bank of Salem, one of the first banks chartered (1866) in North Carolina following the Civil War.

Colonel Fries was the founding president of Wachovia Loan and Trust Company organized in 1893. By 1903 he had established Trust Company offices also in Asheville, High Point, Salisbury and Spencer, and soon Wachovia Loan and Trust Company was the largest bank in the state.



Each dot on the abave map shaws a Wachovia office, af which there are 75 naw apen.

Indicative of the madern appearonce of the branch offices of Wochovio Bank and Trust Company are these. While these ore locoted in specific towns ond cities, duplicates may be found in many af the areos served by the Bank. Top left, is the Chorlotte West Office; to right, the Greensboro Lee Street Office, second from top, left, Comeran Villoge Office, Roleigh; right, West Office, Solisbury; third from top, left, Hoyes-Borton Office, Roleigh; right, North Office, Charlotte; bottom left, Biltmore, Asheville; and South Office, Chorlotte.

Having grown out of a common community background and sharing mutually high ideals of progressiveness, service and integrity, the two Wachovia banks merged in 1911 under the name Wachovia Bank and Trust Company. Colonel Fries remained as president until 1931.

The Trade Street Office in Winston-Salem was opened in 1919 to serve tobacco warehouses and other businesses in that area and their farmer customers. An office was established in Raleigh, the state capital, in 1922.

The Third Street Office in Winston-Salem is an outgrowth of a merger requested in 1930 by the directors of Forsyth Savings and Trust Company, operated by Negro citizens of the city.

Mr. Hanes succeeded Colonel Fries in 1931 and, in the midst of national depression and financial turmoil, transformed Wachovia into a modern bank with a firm foundation for continuing growth.

A merger with the Charlotte National Bank in 1939 established Wachovia in the Carolinas' largest city.

The National Bank of Burlington merged in 1954 followed in 1955 by The Bank of Wayne in Goldsboro and LaGrange and Peoples Savings Bank and Trust Company in Wilmington, and Wachovia gained the distinction of being the only bank serving North Carolina from the mountains to the coast.

The following year the City Industrial and Savings Bank of Greensboro and The Fidelity Bank of Durham became a part of the Wachovia system, and the Wilmington Savings and Trust Company merged in 1958.

Wachovia began direct operations in northeast North Carolina in 1960 on merging with Guaranty Bank and Trust Company. This move added Wachovia offices in Greenville, Aurora, Bayboro, Belhaven, Bethel, Elizabeth City, Hamilton, Robersonville, Snow Hill, Vanceboro, Walstonburg, Washington and Williamston.

Early this year, Commercial National Bank of Kinston, with offices also in Morehead City and Sea Level, joined Wachovia, making 28 cities and towns with Wachovia offices.

While mergers have attracted greater attention, in recent years, actually, the more significant growth of Wachovia has been attained through new business development.

Deposits on December 31 totaled $680 million. Capital and surplus, which has nearly doubled since 1955, now exceeds $50 million. Loans were $370 million at the year end. Among the nation's 13,500 commercial banks, Wachovia stands 39th in size.

"Not for size do we seek growth but for increased ability to meet the sound financial needs of our customers and the growing economy of the Carolinas and the Southeast," President Watlington said at the annual meeting in January. "Throughout our 81-year history Wachovia has always endeavored to support and stimulate the growth and development of the area we serve. This requires ample banking resources combined with a willingness to provide credit and other services on a sound basis, and this we intend to continue."

With the bank's progressive management, tradition of leadership and service, convenient facilities and energetic efforts to help its customers build a better economy, continued growth and progress for Wachovia and the area it serves is assured.

CITIZENS BANK

—Continued from page 65—

Breckenridge and Wyche Streets to serve our customers from their cars. This new service provided two drive-in tellers windows and one walk-in window.

On September 3, 1958, the West End Branch of Citizens Bank & Trust Co. was opened for business. This latest addition brought new conveniences to our customers. Located on the corner of Garnett and Belle Streets, the West End Branch provided complete banking facilities—walk-in, drive-in, night depository, 24-hour depositing, safe deposit boxes and ample parking space.

In the spring of 1960, a complete remodeling of the main bank building was undertaken. The third story was removed from the old building and a framework of steel was installed to support the new colonial style structure. During the remodeling process the bank remained open by shifting positions to suit the contractors needs.

As the 72nd year of the bank's operation in the same location drew to a close, a dream was realized. The oldest bank in this area now had the most modern building and facilities with which to serve its customers.

The new Citizens Bank building has a spacious lobby with eight teller windows. Within easy reach on the first floor: the Loan Dept., Trust Dept., Installment Loan Dept., Insurance Dept., and executive offices with a conference room. The Directors Room, Bookkeeping and Printing Dept., book vault and storage and supply rooms are on the second floor. Two stairways and an elevator make these convenient and accessible. From its small beginning in 1889 the bank has grown until its total assets are now over $15,000,000 not including the $5,000,000 in the Trust Department.

With the latest in modern building and facilities, a strong back-ground of sound banking experience and a keen desire to serve our customers, the Citizens Bank & Trust Company is looking forward with eagerness to the soaring sixties.

SCOTTISH BANK

—Continued from page 81—

merged previously, in 1910, with an older bank, the bank of Randleman, dating back to 1900.

Other growth, both financial and physical came rapidly, encouraged by the momentum of success and size grown out of those tough, early years. Within six years came Kannapolis units, the first at Jackson Park to be followed later at midway, a center between Kannapolis and Concord; and Archdale on the suburbs of High Point and only a few miles from the Randleman branch. In Raleigh the Hood System Bank in the capital city was acquired as was the bank of Rockwell in that town a few miles below Salisbury. Efforts to establish a unit in Clinton were successful, after an earlier failure and the high mark of growth and achievement for the entire Scottish bank system is represented in the beautiful new Fayetteville unit opened in November of 1960. All of the recent units are entirely new except those in Raleigh and Rockwell.

Growth? The Scottish system is built on solid growth. The midway branch earlier described was opened even later than Fayetteville, on December 28, 1960.

In addition to these recent accomplishments, there is still another branch in Salisbury, drive-in windows, installment loan departments, an enlarging trust department, and enlarging headquarters for the system in the home office, including and full department for public relations, advertising and business development with great plans ahead for these and all departments.

The Scottish bank system has been built by men with mature judgement, but young ideas; with practical experience and confidence in themselves but with open minds; a devotion to their profession but a compassion for the communities and customers they serve.Their abilities and personalities have made the capacity and character of Sagacious McThrift's bank and given it the opportunity to serve the heart of North Carolina with 'better banking.'

When President John Stedman reported to the stockholders last January, the resources of the bank he and those around him had built in 21 years stood at 41½ million dollars; a manyfold increase from the less than ¾ million that made the beginning possible. The Scottish system had come a long way from that first rainy, gloomy winter and if 21 years marks coming of age, it is appropriate to be applied here. For the officers, employees, customers and stockholders the future was never brighter. The heart of North Carolina in great, in all resources and the opportunity to serve it is greater, carrying with the opportunity a responsibility and challenge that will be met in the fullest during the next score of years and those that follow.

BANKS IN NORTH CAROLINA

There are now 147 banks in this State, with 382 branches. One bank is non-insured and there are three Federal Reserve Banks in the State.

Bank of Ahoskie, Ahoskie, Hertford Co., Ahoskie: Bk. of Ahoskie Br., Aulander
Citizens Bank & Trust Co., Andrews, Cherokee Co., Hayesville. Murphy, Robbinsville.
The Bank of Randolph, Asheboro, Randolph Co.
*The Bank of Asheville, Asheville, Buncombe Co., Asheville: College St. Br., W. Asheville Br., Candler
Carolina Industrial Bank, Asheville, Buncombe Co.
The Banner Elk Bank, Banner Elk, Avery Co.
*The Bank of Belmont, Belmont, Gaston Co., Belmot: North Office
First State Bk. & Tr. Co., Bessemer City, Gaston Co., Dallas, Mount Holly
Bank of Biscoe, Biscoe, Montgomery Co., Robbins, Star
The Bank of Bladenboro, Bladenboro, Bladen Co.
Commercial & Savings Bank, Boonville, Yadkin Co.
Central Bank & Trust Co., Broadway, Lee Co., Sanford: Jonesboro Heights Br., Sanford Office (TW)
The Bryson City Bank, Bryson City, Swain Co.
The Hood System Indus. Bank, Burlington, Alamance Co.
The Morris Plan Indus. Bank, Burlington, Alamance Co.
The Bank of Candor, Candor, Montgomery Co.
Bank of Carolina Beach, Carolina Beach, New Hanover Co.
Peoples Bank, Catawba, Catawba Co.
The Bank of Chapel Hill, Chapel Hill, Orange Co., Carrboro, Chapel Hill: Glen Lennox Br.
Bank of Charlotte, Charlotte, Mecklenburg Co.
Citizens Bank, Charlotte, Mecklenburg Co.
The Bank of Commerce, Charlotte, Mecklenburg Co.
City Savings Bank, Charlotte, Mecklenburg Co.
The Haynes Bank, Cliffside, Rutherford Co.
Bank of Coleraine, Colerain, Bertie Co.
*Cabarrus Bank & Trust Co., Concord, Cabarrus Co., Albemarle, Concord: Wil Mar Office, Kannapolis
Bank of Conway, Conway, Northampton Co.
Bank of Cornelius, Cornelius, Mecklenburg Co., Huntersville
Piedmont Bank & Trust Co., Davidson, Mecklenburg Co., Locust Office, Mooresville, Mt. Pleasant
Carolina Bank & Trust Co., Denton, Davidson Co.
The Commercial Bank, Dunn, Harnett Co.
*Durham Bank & Trust Co., Durham, Durham Co., Apex, Butner, Cooleemee, Creedmoor, Durham; Broad St. Br., Duke University Br., Forest Hills Br., Farmers W'house, Main Street Br., Northgate Shopping Center Br., Tobacco W'house Br., Wellons Village Br., Erwin, Hillsboro, Mebane, Roxboro, Wake Forest, Youngsville.
Guaranty State Bank, Durham, Durham Co.
*Mechanics & Farmers Bank, Durham, Durham Co., Raleigh, Durham: Fayetteville St. Br.
The Industrial Bank, Elizabeth City, Pasquotank Co.
Bank of Elizabethtown, Elizabethtown, Bladen Co., Dublin
The Bank of Elkin, Elkin, Surry Co., Jonesville
The East Carolina Bank, Englehard, Hyde Co., Columbia, Swan Quarter (TW)
The Bank of Farmville, Farmville, Pitt Co.
Commercial & Industrial Bank, Fayetteville, Cumberland Co., Fayetteville: Auto Branch, Eutaw Branch (TW), Spring Lake
Bank of Four Oaks, Four Oaks, Johnston Co.
The Bank of Franklin, Franklin, Maco Co.
Bank of Fuquay Springs, Wake Co., Cary, Fuquay Springs: Northside Br.
Tarheel Bank & Trust Co., Gatesville, Gates Co., Lewiston, Winton
The Bank of Gibsonville, Gibsonville, Guilford Co.
American Bank, Goldsboro, Wayne Co.
Bank of Granite, Granite Falls, Caldwell Co., Lenoir
Farmers & Merchants Bank, Granite Quarry, Rowan Co.
Bank of Greensboro, Greensboro, Guilford Co., Greensboro: Battleground Ave. Br., S. Greensboro Br., Spring Garden St. Br., Summit Ave.
Mid-Carolina Industrial Bank, Greensboro, Guilford Co
*State Bank & Trust Co., Greenville, Pitt Co., Greenville: Washington St. Drive-In Br., Circle Office
Bank of Halifax, Halifax, Halifax Co., Littleton, Scotland Neck, Weldon
Bank of Harrellsville, Harrellsville, Hertford Co.
Bank of Haw River, Haw River, Alamance Co.
First State Bank, Hazelwood, Haywood Co.
*Citizens Bank & Trust Co., Henderson, Vance Co., Henderson: West End Br.
Central Savings Bank, High Point, Guilford Co.
*High Point Savings & Trust Co., High Point, Guilford Co., High Point: S. Main St. Br.
Bank of Hobbsville, Hobbsville, Gates Co.
The Bank of Northampton, Jackson, Northampton Co.
The Bank of Kernersville, Kernersville, Forsyth Co.
Merchants & Farmers Bank, Landis, Rowan Co.
Commercial State Bank, Laurinburg, Scotland Co., Gibson, Hamlet, Hamlet:, Hamlet Ave. Office: Laurel Hill, Wagram
*The State Bank, Laurinburg, Scotland Co., Laurinburg: Roper St., S. Martin St. Br., Maxton
Leaksville Bank & Trust Co., Leaksvi'le, Rockingham Co., Draper, Leaksville: Boulevard, Spray
Lenoir Industrial Bank, Lenoir, Caldwell Co.
*Commercial Bank of Lexington, Davidson Co., Lexington: Park-In Br.
Industrial Bank of Lexington, Davidson Co.
Lexington State Bank, Lexington, Davidson Co., Lexington: Welcome Br.
Bank of Lillington, Lillington, Harnett Co.
The Lucama-Kenly Bank, Lucama, Wilson Co., Bailey, Kenly
*The Scottish Bank, Lumberton, Robeson Co., Archdale, China Grove, Clinton, Fair Bluff, Fayetteville, Garland, Kannapolis: Jackson Park Br., Midway Br. (TW), Parkton, Pembroke, Raleigh. Randleman, Red Springs, Rockwell, St. Pauls, Salemburg, *Salisbury, Salisbury: W Innes St. Br.
Merchants & Farmers Bank, Macclesfield, Edgecombe Co.
The Bank of Madison, Madison, Rockingham Co.
The Bank of Manteo, Manteo, Dare Co., Nags Head, Cape Hatteras Br.
Marion Bank & Trust Co., Marion, McDowell Co.
The Bank of French Broad, Marshall, Madison Co., Weaverville
Citizens Bank, Marshall, Madison Co., Hot Springs, Mars Hill
Mutual Bank & Trust Co., Marshville, Union Co.
The Bank of Matthews, Matthews, Mecklenburg Co.
The Bank of Mayodan, Mayodan, Rockingham Co.
The Citizens Bank, Micro, Johnston Co., Princeton
Bank of Davie, Mocksville, Davie Co.
American Bank & Trust Co., Monroe, Union Co., Monroe: Drive-In Br., Main St. Br., Installment Loan Br., Motor Branch, Pineville, Waxhaw
State Bank of Burke, Morganton, Burke Co.
The Surry County Loan & Tr. Co., Mount Airy, Surry Co., Dobson, Mount Airy: Franklin St. Br.
The Bank of Mount Gilead, Mount Gilead, Montgomery Co.
*The Bank of Mount Olive, Mount Olive, Wayne Co., Calypso
The Bank of Currituck, Moyock, Currituck Co.
The Bank of New Bern, New Bern, Craven Co.
Avery County Bank, Newland, Avery Co.
The Peoples Bank, Norlina, Warren Co.
*Bank of North Wilkesboro, North Wilkesboro, Wilkes Co., North Wilkesboro: Fairplaines Br.
*The Northwestern Bank, North Wilkesboro, Wilkes Co., Bakersville, Black Mountain, Blowing Rock, Boone, Boone: East King St. Br., Burnsville, Clemmons, Cleveland, East Bend, Fletcher, Hendersonville Br., Hendersonville: Seventh Ave. Br., South Side Br., Time Payment Br., Hickory, Hickory: East Hickory Br., Jefferson, Maiden, Newton, Old Fort, Sparta, Spruce Pine, Statesville, Statesville: Installment Loan Br., West End Br., Stony Point, Taylorsville, Valdese, West Jefferson, Wilkesboro
Bank of Pilot Mountain, Pilot Mountain, Surry Co.
Farmers Bank, Pilot Mountain, Surry Co.
Carolina Bank, Pinehurst. Moore Co., Aberdeen, Carthage, Vass, West End
Bank of Pine Level, Pine Level, Johnston Co.
Bank of Pittsboro, Pittsboro, Chatham Co.
The Bank of Raeford, Raeford, Hoke Co., Raeford: Sunset Drive-In Br.
The Bank of Coleridge, Ramseur, Randolph Co.
Bank of Reidsville, Reidsville, Rockingham Co., Reidsville: N. Scales St. Ofc., S. Scales St. Br.
Commercial Bank of Reidsville, Reidsville, Rockingham Co.
The Bank of Rich Square, Rich Square, Northampton Co.
*The Farmers Bank & Trust Co., Rockingham, Richmond Co.
*Richmond County Bank, Rockingham, Richmond Co., Ellerbe
The City Industrial Bank, Rocky Mount, Edgecombe & Nash Cos. Rocky Mount: Raleigh Rose & George, St. Ofc.
*Peoples Bank & Trust Co., Rocky Mount, Edgecombe & Nash Cos., Battleboro, Edenton, Edenton: Consumer Credit Br., Enfield, Henderson, Henderson; William St. Br., Hertford Middlesex, Nashville, Pinetops, Rocky Mount: North Br., South Br., Consumer Credit Br., West Office, Sharpsburg Br., Whitakers, Zebulon
The Bank of Rowland, Rowland, Robeson Co.
The Peoples Bank, Roxboro, Person Co., Roxboro: Court Square Br., Madison Blvd. Br.
Roanoke-Chowan Bank, Roxobel, Bertie Co.
Commercial & Farmers Bank, Rural Hall, Forsyth Co.
*Security Bank & Trust Co., Rutherfordton, Rutherford Co., Bostic, Caroleen, Forest City, Forest City: Drive-In
Security Bank & Trust Co., Salisbury, Rowan Co., Kannapolis, Monroe, Norwood, Oakboro, Spencer
The Farmers Bank of Seaboard, Seaboard, Northampton Co.
*Union Trust Company, Shelby, Cleveland Co., Boiling Springs Br., Ellenboro, Fallston, Forest City, Lawndale, Rutherfordton, Spindale
The Chatham Bank, Siler City, Chatham Co., Goldston, Liberty
First-Citizens Bank & Trust Company, Smithfield, Johnston Co., Angier, Atlantic Beach Br., Beaufort, Benson, Burgaw, Camp Lejeune, Camp Lejeune: Camp Geiger Br., Tarawa Terrace Br., Charlotte Br., Cherry Point, Clayton, Clinton, Clinton: Finance Br., Northeast Br., Coats, Dunn, Dunn: Finance Br., Fayetteville, Fayetteville: Boulevard Br., Haymount Br., Highland Br., Liberty Point Br., Fort Bragg, Fort Bragg: Village Branch, Pope Field Br., Franklinton, Garner, Garner: Forest Hills Br. (TW), Grifton, Havelock, Havelock: Slocum Village Br., Jacksonville, Jacksonville: Finance Br., Kinston, Kinston: Finance Br., Westside Br., Louisburg, Louisburg: Finance Br., Maysville, Morehead City, New Bern, New Bern: Finance Br., Newport, Newton Grove, Pink Hill, Raleigh, Raleigh: Cameron Village Br., Central Branch, Longview Branch, North Side Branch, Ridgewood Br., West Side Branch, Richlands, Roanoke Rapids, Roseboro, Smithfield: Finance Branch, Spring Hope, Swansboro, Wilmington
The Johnston County Bank, Smithfield, Johnston Co.
*The Citizens Bank & Trust Co., Southern Pines, Moore Co.
Statesville Industrial Bank, Statesville, Iredell Co.
Stokesdale Commercial Bank, Stokesdale, Guilford Co.
Bank of Stoneville, Stoneville, Rockingham Co.
Farmers Bank of Sunbury, Sunbury, Gates Co.
Swannanoa Bank & Trust Co., Swannanoa, Buncombe Co.
Jackson County Bank, Sylva, Jackson Co., Cherokee, Highlands
Edgecombe Bank & Trust Co., Tarboro, Edgecombe Co., Oak City, Tarboro, No Tarboro Br., Fountain Br.
The State Commercial Bank, Thomasville, Davidson Co.
Bank of Montgomery, Troy. Montgomery Co.
Bank of Varina, Varina, Wake Co., Fuquay Springs
*Anson Bank & Trust Co., Wadesboro, Anson Co., Ansonville, Peachland
State Planters Bank, Walnut Cove, Stokes Co., King
The Citizens Bank, Warrenton, Warren Co.
*Bank of Washington, Washington, Beaufort Co., Washington: Fifth St. Br., West End Br.
The Bank of Wendell, Wendell, Wake Co., Knightdale
*Waccamaw Bank & Trust Co., Whiteville, Columbus Co., Beulaville, Chadbourn, Clarkton, Fairmont, Fairmont: Five Points Br., Kenansville, Riegelwood, Rose Hill, Shallotte, Southport, Tabor City, Tabor City: Fifth Street Br., Whiteville: S. Madison St. Drive-In Br.
The Bank of Wilmington, Wilmington, New Hanover, Wilmington: Market St. Br., Sunset Park Br. Winter Park Br.
Branch Banking & Trust Co., Wilson, Wilson Co., Elm City, Faison, Fayetteville, Fayetteville: Haymount Branch, Rowan Street Br., Fremont, Goldsboro, Kinston, Installment Loan Ofc., Magnolia, New Bern, Pikeville, Plymouth, Raleigh, Saratoga, Selma, Stantonsburg, Trenton, Wallace, Warsaw, Williamston, Wilson: Five Points, West Nash St., Wilson Industrial Br.
Bank of Windsor, Windsor, Bertie Co.
The State Bank of Wingate, Wingate, Union Co.
The Hood System Industrial Bk., Winston-Salem, Forsyth Co.
Wachovia Bank & Trust Co., Winston-Salem, Forsyth Co., Asheville, Asheville: Biltmore Ofc., West Asheville Ofc., North Office, Aurora, Bayboro, Belhaven, Bethel, Burlington, Burlington:

North Office, South Office, Charlotte, Charlotte: Medical Center Ofc., N. Graham St. Ofc., North Ofc., South Blvd. Ofc., South Ofc., West Ofc.. Durham, Durham: East Durham Ofc., Liberty W'house, North Durham, Vickers Ave. Ofc., West Durham Ofc., Elizabeth City, Goldsboro, Goldsboro: Seymour Johnson Ofc., Sunrise Shopping, Center, Greensboro, Greensboro: Bessemer Ave. Ofc., Lawndale Ofc., N. Green St. Ofc., West Lee St. Ofc., Greenville, Greenville: Dickinson Ave. Ofc., Evans St. Ofc. Meadowbrook Ofc., West End Ofc., Hamilton, High Point, High Point: North Office, South Office, West End Ofc., Kinston Ofc., Kinston: Parkview Ofc., W. Vernon Ave. Ofc., LaGrange, Morehead City Ofc., Raleigh, Raleigh: Cameron Village Ofc., Hayes Barton Ofc., North Blvd. Ofc., West Raleigh Ofc., Robersonville, Salisbury, Salisbury: West Office, Sea Level Ofc., Snow Hill, Vanceboro, Walstonburg, Washington, Washington: Hackney Ave., Williamston, Wilmington, Wilmington: Dawson St. Ofc., Princess St. Ofc., Third St. Ofc., Winston-Salem: Cook's Warehouses, Nos. 1 & 2, Growers Warehouse, Ofc. (Seasonal Operation), North Office, South St. Ofc., Stratford Office, Third St. Ofc., Trade St. Ofc., Wake Forest Ofc., West End Br.

The Bank of Winterville, Winterville, Pitt Co.

The Farmers Bank, Woodland, Northampton Co., Murfreesboro, Murfreesboro, Yadkin Co.

Bank of Yadkin, Yadkinville, Yadkin Co.

Bank of Yanceyville, Yanceyville, Caswell Co.

STATE INDUSTRIAL BANKS

As of September 15, 1960

Carolina Industrial Bank, Asheville, Buncombe Co.

The Hood System Industrial Bank, Burlington, Alamance Co.

The Morris Plan Industrial Bank, Burlington, Alamance Co.

The Industrial Bank, Elizabeth City, Pasquotank Co.

Mid-Carolina Industrial Bank, Greensboro, Guilford Co.

Lenoir Industrial Bank, Lenoir, Caldwell Co.

Industrial Bank of Lexington, Lexington, Davidson Co.

Statesville Industrial Bank, Statesville, Iredell Co.

The Hood System Industrial Bank, Winston-Salem, Forsyth Co.

NATIONAL BANKS

As of September 15, 1960

36 Banks
117 Branches

First National Bank, Albemarle.

First National Bank, Asheboro.

First National Bank, Ayden.

University National Bank, Chapel Hill, Chapel Hill: Columbia St. Br.

First Union National Bank of N. C., Charlotte, Asheville: Biltmore Branch, East Asheville Office, Main Asheville Office, North Asheville Office, West Asheville Br., Brevard Office, Canton Office, Charlotte: Dilworth Office, Myers Park Br., Hutchison Ave. Br., Park Road Office, Personal Loan Office, Plaza Branch, Plaza Motor Br., Up-Town Drive-In Office, W. Morehead Office. Clyde, Durham: Foster St. Br. Hendersonville Office, Kings Mountain, Lenoir, Waynesville Office, Whitnel, Wilson: Northside Office, Parking Lot Drive-In, Southside Office, Wilson Office.

*Oteen—V. A. Hospital, Swannanoa—V. A. Hospital.

The North Carolina National Bank, Charlotte, Burlington: Burlington Br., Church Street Br., Charlotte: Airport Ofc., Charlottetown Ofc., East Morehead Ofc., East Trade Ofc., Morehead Ofc., North Charlotte Ofc., Ninth & Tryon Ofc., North Tryon Ofc., Park Road Ofc., Plaza Ofc., Sedgefield Ofc., West Morehead Ofc., Industrial Loan Ofc., Durham: Durham Br., Merchants and Farmers Bank, Harmony, Statesville, Statesville: Auto Branch, Troutman Br., Greensboro: Airport Branch, Bessemer Avenue Br., Eugene Street Br., Friendly Shopping, Center Br., Greensboro Headquarters Ofc., Guilford Building Ofc., Lee Street Br., N. Elm St. Drive-In Br., Summit Avenue Br., West Lee Street Br., Guilford College Br., High Point: High Point Br. West Green Street Br., Raleigh: Cameron Village Br., Fairview Ofc., Raleigh Br., Raleigh Main Office, South Ofc., 130 S. Dawson St., Farmers Market Br., Tarboro: Tarboro Br., Time Payment Dept. Br., Wilmington Br.

Cherryville National Bank, Cherryville.

*Citizens National Bank, Concord.

Concord National Bank, Concord., Concord: North Office.

First & Citizens National Bank, Elizabeth City.

Citizens National Bank, Gastonia, Gastonia: East Br., Franklin Avenue Br., Cramerton Br., Lowell Br., Stanley Br.

National Bank of Commerce of Gastonia, Gastonia, Gastonia: Franklin Avenue Br., West Br.

National Bank of Alamance, Graham, Graham: West Drive-In Br.

*First National Bank, Henderson, Henderson: Drive-In Br.

*First N. B. of Catawba County, Hickory, Claremont Br., Conover Br., Hickory: Viewmont Br., Newton.

First National Bank, Jacksonville, Jacksonville:, Downtown Br., Wallace.

First National Bank, Leaksville.

First National Bank, Lincolnton, Lincolnton: East Br., Denver Br.

Lincoln National Bank, Lincolnton.

Southern National Bank, Lumberton, Fayetteville Br., Hamlet Br., Laurinburg, Lumberton: Drive-In Br., Third St. Br. Installment Loan Ofc.

First National Bank, Marion.

First National Bank of Mooresville, Mooresville: Main Street Ofc.

First National Bank, Morganton, Morganton: Time Payment Dept. Br.

First National Bank, Mount Airy

Oxford National Bank, Oxford

Union National Bank, Oxford.

*First National Bank, Reidsville, Reidsville: Main Street Br.

Planters National Bank & Trust Co., Rocky Mount, Ahoskie Ofc., Greenville Ofc., Plymouth Ofc., Roanoke Rapids: Drive-In Ofc., Roanoke Br., Rosemary Br., Rocky Mount: Church Street Ofc., Englewood Ofc., Time Payment Ofc., Walnut Ofc.

National Bank of Sanford, Sanford, Sanford: Steele Street Br., Woodland Avenue Br.

First National Bank, Shelby, Shelby: South Br.

First National Bank, Thomasville.

First National Bank of Anson County, Wadesboro, Morven Br.

First National Bank, West Jefferson.

First National Bank, Whiteville, Whiteville: South Whiteville Br., Uptown Br.

First National Bank, Winston-Salem, Winston-Salem: College—Hospital Br., Lexington Road Br., Thruway Br.

First National Bank, Winston-Salem, Winston-Salem: Northside Br.

Trust Department

UNION TRUST

—Continued from page 66—

Union Trust Company is an independent, separate and competitive bank with 45 stockholders owning and holding 80,000 shares of Union Trust Company stock. Stockholders are represented over a wide area and stock is widely distributed.

Union Trust Company traces its roots as far back as 1905 with the opening of Shelby's second bank known as Shelby National Bank. Union Trust took over assets of the Shelby National Bank when organizing in 1922 and in 1930 a merger was affected with Cleveland Bank and Trust Company (a third bank opened in Shelby in 1920) and the resulting coordination has been known as Union Trust Company through the years.

Clyde L. Stutts was named president of Union Trust Company on October 1, 1959, coming to Shelby from Laurel Hill in Scotland County where he was executive vice president of Commercial State Bank. He succeeded Jesse E. Bridges who became vice chairman of the board of directors.

Directors of the banking institution are Jesse E. Bridges, John P. Crawley, A. V. Hamrick, C. Rush Hamrick. Sr., J. O. Lutz, J. Clint Newton, Clyde L. Stutts and J. L. Suttle, Jr., all of Shelby; M. Garland Johnson of Spindale; J. Worth Morgan of Forest City; and Woodrow W. Jones of Rutherfordton.

Officers elected for 1961 are: Clyde L. Stutts, president; J. O. Lutz, Chairman of the board; Jesse E. Bridges, vice-chairman of the board and trust officer; Horace Easom, vice persident in charge of public relations; A. V. Hamrick, vice president; Olan R. Speagle, assistant vice president and treasurer; C. C. Hughes, cashier; A. L. Calton, comptroller; Edward H. Willis, assistant cashier and trust officer; Charles L. Blanton, assistant cashier.

Officers of branch banks include the foliowing:

Fallston—Charles F. Fowler, branch manager; Norris Wright, assistant cashier.

Forest City—J. Worth Morgan, vice president; P. B. Price, assistant vice president and cashier; William L. Brown, assistant cashier; Robert E. Harris, assistant cashier.

Lawndale—B. B. Horn, cashier.

Rutherfordton—Kenneth S. Miller, vice president; G. Lennon Clements, cashier.

Spindale—W. L. Stallings, vice president and cashier; Jack D. Walker, assistant cashier.

Boiling Springs—Mark L. Summey, cashier.

Ellenboro—Mrs. E. B. Spurling, assistant cashier.

Looking back on the record of growth of Union Trust Company, at the close of 1933 total resources of the Company amounted to $1,231,166.33 as compared to 1960's record $18,429,125.79. Too, expansion of the banking institution into seven other communities has taken a valued service closer home and afforded better banking facilities for more people.

The home bank has been located on the corner of West Marion and North LaFayette Streets in Shelby for 30 years, undergoing expansion and modernization from time to time and eventually occupying basement, main and second floors of the structure.

The new building will be situated one block from present quarters and will occupy the site on which Central Methodist Church stood until 1924. Webb Theatre was located on the site until it was torn down to make way for Union Trust's modern structure. The property was purchased from heirs of the Minnie E. Webb estate and additional property adjoining in the rear was purchased from D. Huss Cline.

The new home will be a realization within the current year, President Stutts believes, and its modern architecture will add to Shelby's uptown beauty as well as service.

President Stutts says "Union Trust Company believes in this section of North Carolina.

Because of the confidence, co-operation, understanding, intelligence and character of the people of this area of North Carolina," he continued, "Union Trust Company is giving implementation to its faith and vision and is looking forward to the greatest future ever experienced in the history of its growth."

CONVENTIONS MEAN HUNDREDS OF JOBS FOR NORTH CAROLINA

From the Academy of Science to the Young Peoples Service League, the alphabetical gamut is run each year as meeting after meeting is convened in this State. The largest convention is probably that of the North Carolina Education Association with an average attendance of 4,000. The Baptist State Convention follows with 3,000, as does the Oasis Temple AAONM Shrine, and the Grand Chapter of N. C. Order of the Eastern Star comes next with 2,500.

In the 1,500 attendance bracket come the American Legion and the Hardware Association of the Carolinas. From this impressive total we drop by the hundred down to small groups of less than 100.

According to available listings in convention directories, there are more than 2,300 groups which hold meetings every year in North Carolina. Many others meet in other States, aboard cruise ships, and in airplanes.

We are concerned mainly with those which meet in North Carolina, whether they be domestic, or national. They are the ones which mean more jobs for Tar Heel workers.

Such a convention was that of the N. C. Dairy Products Association, held at Pinehurst's Carolina Hotel January 25-27. 1961. In spite of snow, sleet and ice, more than 400 members showed up for the three-day event. The business sessions clicked off under the gavel of President R. E. Tucker. and the new president was elected along with a flock of directors who took office during the meeting. The new President is John Burn of Shelby.

The convention committee along with the programmers planned every last detail from the amount of the registration fee down to the entertainment for the ladies. There were nine formal speakers, and many others impromptu. Cathy Bauby, internationally known beauty and personality consultant, entertained while instructing the ladies at a special session which was as well-attended by the men as the women. (Snow had cancelled the skeet shoot and planned golf).

Dairy Princess Diane Monroe spoke to the assembly and both she and Miss Bauby were interviewed for NBC Monitor under the "Going Places with Monitor" department headed by Peter Lasally of the NBC Monitor Studios in New York.

Both photographers and publicity men were employed by the Association to handle carefully, and fully, the publicity angles of the event. All major business items received full coverage. Stories were telephoned direct to the wire services as the news was made. The public was made aware of who new officers almost as quickly as were those attending the convention.

The film was processed locally, giving work to the processing lab. Of course the post office got into the act with the mail. Taxi drivers were utilized to take the photographs to the train when the last mail of the post office was missed.

More than sixty waiters and waitresses were used in serving the luncheons and banquets and two filling stations sold

1961 "25'ers Club" officers, L to R: President W. Paul Landreth, Winston-Salem; Vice President R. B. Davenport, Durham; and Secretary-Treasurer J. F. "Red" Neely, Raleigh.

Cathy Bauby shows how the camera catches the average girl and then on the right she stands in a recommended "casual pose". "You can learn to automatically assume a comfortable, but pleasing pose, every time you stop, if you practice," she told the ladies.

North Carolina's Dairy Princess, Miss Diane Monroe, Rockingham.

(L to R) Mrs. Kathleen Harrill, Raleigh, and Mrs. Lois Johnson, Garner, watch as personality specialist Cathy Bauby explains the working of a leopard skin hat. On the right, the interested watcher is Mrs. T. E. Decker of Charlotte.

out of snow chains. Local dry-cleaning establishments had business upped and one store sold a tuxedo.

The Dairy Products group used several entertainers and a hill-billy band putting over $1000 into circulations with these people alone. All entertainers came from within the State, so money paid them was spent in the State.

How many more people received work from this single convention is anybody's guess.

All over the State citizens are becoming convention conscious. The Morehead City Morehead Biltmore has just added a 450 person dining room especially built to take care of conventions. The hotel has arrangements with other hotels and motels to handle the overflow of any guests who are attending Biltmore conventions.

Conservatively estimating the number of people who received work from the one convention in Pinehurst would put the number at 1,000, and that doesn't include workers who serviced the cars of those attending, or washed the extra shirts they wore, shined their shoes, and a hundred other jobs completed before they left home.

(L to R): C. H. Williard, Sr., High Point, 1960 president of the "25'ers Club" turns the "Cane of Leadership" to W. Paul Landreth, Winston-Salem, the Club's 1961 president.

Conventional convention picture shows 1961 officers of N. C. Dairy Products Assn. Left to right John E. Johnson, executive vice president, Raleigh; O. O. Allsbrook, Sealtest Foods, vice president Wilmington; Harvey Millsaps, Mooresville Ice Cream Co., vice president, Mooresville; C. D. Colvard Catawba Cooperative Dairy, vice president, Hickory; John Burn, Carolina Dairy, president, Shelby and S. Bruce Wingate, Sealtest Foods, treasurer, Charlotte.

Officers and Directors, 1961, of the N. C. Dairy Products Assn., left to right: (Front) Harvey Millsaps Mooresville; C. D. Colvard, Hickory; John Burn, Shelby; O. O. Allsbrook, Wilmington; R. E. Tucker, Charlotte; and S. Bruce Wingate, Charlotte. (Back) R. B. Davenport, Durham; A. M. Stuart, Jr., High Point; J. T. McLean, Greensboro; D. C. Worth, Raleigh W. R. Kiser, Lexington; R. L. Burrage, Jr., Concord; and Robert Wooten Kinston.

FIFTH REPORT OF BUSINESS DEVELOPMENT CORPORATION SHOWS GROWTH

By H. Powell Jenkins
Executive Vice President

The Business Development Corporation of North Carolina was organized for the purpose of promoting, developing and advancing the business prosperity and economic welfare of the State of North Carolina and its citizens, and I would like to repeat a statement previously made in saying that all factors considered, I believe more than ever that the Corporation is living up to the purposes fully 100.

JENKINS

There have been several transfers of the Corporations stock during the past year with 1802 Stockholders at the end of 1960. There are 138 financial institution Members of the Corporation as compared to 145 a year ago. Several members have occurred among our Members, otherwise the present number would be 155. However, in each of these mergers, the full amount of funds available to the Corporation has been continued and in several instances increased. It is most pleasing that 32 of the financial institutions that became Members on the basis of the capital, surplus and/or reserve accounts as of December 31, 1955 or subsequent dates have re-applied for membership in the Corporation so as to make more funds available on the basis of their increased figures as of later dates. Another Member has re-applied for membership since December 31, 1960, increasing the available funds by an additional $230,000, and others are also considering such action. The Members and funds available to the Corporation from them as of December 31, 1960 are as follows: 85 Commercial Banks, $2,906,000; 13 Life Insurance Companies, $1,105,200; and 40 Building, Savings and Loan Associations, $1,093,000, or a total of $5,104,200. Other financial institutions are considering membership this year, which in turn would increase still further the amount of funds available for the Corporation's activities. This is truly a fine demonstration of confidence and support in the Corporation by financial institutions over the State. The funds available from our Members are, of course, in addition to the $1,000,000 cash paid into the Corporation's treasury for Capital Stock, and $1,000,000 borrowed from the Small Business Administration, an additional commitment of $1,000,000 from the latter Agency, all of which now results in the total of $8,104,200, plus retained earnings, available for the Corporation's purposes.

During the year 1960, 29 new loans were approved and 5 additional or increases in loans to existing borrowers were approved for a total of $4,510,000, which amount included participations by others in the total amount of $423,220 in several of the loans. This compares with 30 loans approved for a total of $4,972,000 in 1959 and 19 approved in 1958 for a total of $2,252,000. During the 1960 period 12 loan applications totaling $1,199,500 were declined as compared to 12 declinations totaling $575,000 in the previous year. Since start of operations in April of 1956 through December 31, 1960, the Corporation has approved 131 loans totaling $15,915,965 including $1,608,780 participations by others in 32 individual loans. Total applications received during this period number 257. Three applications are in process and under consideration at this time. Of the Corporation's direct loans approved and its share in participations totaling $14,307,185, the proceeds were substantially for the following purposes: $10,242,035 or 72% to assist in financing the construction of new or the expansion of existing plants; $2,402,195 or 17% for the acquisition of machinery and equipment; $1,252,510 or 8% for working capital; and $410,445 or 3% for payment of existing indebtedness. Of great importance, the loans were to assist in maintaining the employment of at least 8,356 people and to create employment of an additional 13,540 people, or a total of 21,896 jobs, and these proportions have been substantially maintained with respect to loans actually disbursed by the Corporation. These are, or were expected to be, direct employees of the borrowers, and in addition, a very much larger number of people are employed by others in supplying materials to the borrowers and in the construction of buildings, the manufacture of machinery and equipment and other services, directly or indirectly, as a result of the loans made by your Corporation. It is understood that generally there are at least five indirect jobs based upon each full-time employee.

Of the 131 loan approvals totaling $15,915,965 as referred to above, 73 loans totaling $7,557,565 have been disbursed, and at least 13 additional totaling $2,965,000 are expected to be disbursed within the next few months as construction and expansion of plant facilities are completed. Of the loans disbursed, including participations, 15 totaling $1,130,500 have been fully repaid and $868,126 has been repaid on present outstanding loans resulting in balances remaining on outstanding loans totaling $5,558,939. The remaining 45 loan commitments totaling $5,393,400 have been cancelled because of the borrowers having obtained the necessary financing from other sources and several additional commitments have expired and been cancelled because of changes and/or delays in the plans of the loan applicants. Eliminating the cancelled commitments, the use of proceeds of this Corporation's funds in the 86 loans actually disbursed or expected to be disbursed within the next few months as construction is completed are summarized as follows: $6,295,735 or 67% for construction of new or the expansion of existing plants; $2,062,245 or 22% for the acquisition of machinery and equipment; $635,205 or 8% for working capital; and, $336,350 or 3% for payment of existing indebtedness.

Loans already disbursed resulted approximately as follows in the year 1960: number of full-time employees, 9,106; number of farmers from whom products were purchased by some of these plants, 10,435; total number of farmers who received benefits from operations of the plants, 16,225; and, $35,769,125 of North Carolina farm products were purchased. $472,273 of North Carolina water products were purchased by several of the plants from 266 fishermen. It should be noted these figures are based upon cases where loans have been actually disbursed and do not include the undisbursed commitments or those in which members of our staff have assisted in obtaining loans from other sources as referred to herein. Further improvement in operations by the same companies and those for which present loan commitments will be disbursed within the next few months are expected as follows for 1961: number of full-time employees, 11,837; number of farmers from whom products will be purchased, 13,405; total number of farmers to receive benefits from the plants, 19,682; and, North Carolina farm products to be purchased, $42,070,000. $533,000 of North Carolina water products expected to be purchased from 295 fishermen. All of these figures are expected to show substantial increases in 1962 and subsequent years by these same companies.

Members of our staff have assisted business people in a number of cases in obtaining the necessary funds or portions thereof from other sources thereby preserving the funds of your Corporation and at the same time assisting the business in its financial requirements. Loans have been approved to many types of business and industry, new ones moving in or establishing branch operations in the State, some newly created within the State and others that have been long established in North Carolina. Also, many of the loans assist agriculture as well as industry as indicated above.

Of the 86 loans fully disbursed or to be disbursed within the next few months, including participations by others, 53 totaling $5,495,065 have been/or are for expansion of businesses already established in North Carolina and others new-

Washington is the Place for the 1961 International Convention — July 3-7th

In her NEWS NOTES TO EDITORS AND CHAPTER PRESIDENTS, Information Chairman of IAPES presents a most interesting description of the 1961 Washington Convention. Says Chairman Orhpa Cross:

An opportunity to celebrate the nation's birthday in the nation's capital and the program theme, "Today's Work Builds Tomorrrow," point to a record attendance for the 48th Annual IAPES Convention, July 3-7 in Washington, D. C.

Speakers will come from high positions in public and private endeavors, and all sessions will be held in the air-conditioned Sheraton-Park Hotel. General sessions will be in the hotel's vast and beautiful Sheraton Hall; workshops are scheduled in function rooms; and al most unequaled facilities are availabl under one roof for these and other con vention activities.

International in character, the entir program Wednesday morning, July 5 will be themed "Employment Securit Around the Free World," according t Program Chairman Freeland G. Mana han, who is nailing together segment of a program that promises many inno vations and interest-rousing features An international leader will be the prin cipal speaker Wednesday. A forum wil present speakers from other nations and representatives of every friendl nation in Washington for ICA trainin at convention time will be invited to tak part in give-and-take discussion.

The 48th International will open Mon day, July 3, following Chapter Presi dents' Day luncheon, however a recep tion is planned Sunday evening by th

IAPES President Howard Winstead receives hi certificate signifying his 20 years of service t the people of North Carolina with the ESC. Win stead is Charlotte Area Supervisor. ES Directo Joseph Beach makes the Award.

District of Columbia, Maryland, Nortl Carolina and Virginia Chapters.

Fourteen chairman will be selecte from the various chapters to conduct new program feature, a LTAOW (Let' Talk About Our Work) session in 1 function rooms of the convention hote Tuesday afternoon. That morning, forum will present outstanding speaker in a discussion of the changing labo market and how ES programs may b made more effective by considering othe major interest groups. Current and po tential use of visual aids in ES worl will be discussed that afternoon.

Topics are to be announced for th Thursday (July 6) concurrent workshop (seven in the morning and seven in th afternoon); participants will be nomi nated by the chapters.

In another innovation, 12 persons wil portray "The Employment Security Im age—Then and Now" in a Friday morn ing feature that promises to be a pro gram highlight.

"Washington Showcase"

All indications are that the 48th In ternational will be more than a "Wash

—See 1961 International, page 98—

ly created, owned, and managed by North Carolinians; 33 totaling $5,027,-500 for assistance in moving businesses into or establishing branch operations in the State.

At December 31, 1960 all installments on loans were current. Three years ago a policy was established by the Directors, subject to further reviews from time to time, to set apart as a reserve for possible losses a sum equal to one per cent of the outstanding loans receivable as of the close of each fiscal year, such transfers to be cumulative and may be made on a quarter-annual basis subject to adjustment at close of the fiscal year. However, a further review of this policy by the Executive Committee indicates that in view of the substantial increase in the average amount of loans approved by the Corporation, the long-term nature of the loans and other factors, it is felt that the reserve for possible losses should be increased as soon as reasonably possible to an amount equal to not less than five per cent of the amount of loans outstanding. Accordingly, transfers have been made from the undivided profits account to the reserve for possible losses on loans, as of the close of business December 31, 1960, so as to increase the reserve account to $125,000 or approximately 2.5% of the amount of loans outstanding as of December 31, 1960. We are happy to report that thus far there have been no losses on any of the Corporation's loans.

The report herein of John C. Muse and Company, Certified Public Accountants, indicates the financial position of your Corporation as well as the results of its operations for the period ended December 31, 1960. The cash on hand and in banks was on deposit with banks that are Members of the Corporation. The Corporation has made calls on its Members for loans on a pro rata basis as of the dates and in amounts as follows: July 15, 1957, $681,000; December 15, 1958, $551,100; and December 1, 1959, $931,100. Notes were issued to the individual Members bearing an interest rate of 4¼% per annum on the first two calls and a rate of 5¼% per annum on the latter call, which is in keeping with the requirements of the Enabling Act, all with five year maturities. As of August 15, 1960, the Corporation borrowed $1,000,000 from the Small Business Administration under the provisions of Section 501 of the Small Business Investment Act of 1958; an unsecured note was issued to SBA bearing an interest rate of 5% per annum and due five years from its date. Subsequently, an additional loan of $1,000,000 has been authorized under substantially the same terms and conditions. Net income for the year before provisions for possible losses on loans and taxes on income, but after provisions for all expenses and interest paid and/or accrued including amortization and depreciation amounted to $69,-964 of which $52,249 was transferred to a reserve for possible losses on loans.

At its meeting on October 12, 1960. your Board of Directors declared from accumulated undivided profits of the Corporation a dividend of Ten Cents (10¢) per share on the Capital Stock of the Corporation payable on the 15th day of November to holders of record of said stock at the close of business the 31st day of October 1960. The dividend was paid in accordance with the action of the Board and the checks were mailed in time to reach the Stockholders by the dividend payable date.

The aforementioned operating policies of management reflect results we believe each stockholder will regard as full justification for the initial investment made in promoting the economy of the State. However, we hope each stockholder visualizes that the shares of the Corporation are becoming increasingly stronger and more attractive and should be regarded as a security of investment quality for long term growth potential. Each stockholder is invited to bring to the attention of management any sound business enterprise having growth potential deemed worthy of long term financial assistance.

We would like to take this opportunity to express grateful appreciation for the excellent cooperation of the members of the Board of Directors, Executive Committee, Loan Committee, Legislative Committee, other Officers and General Counsel of your Corporation in giving generously of their time and who have many times made personal sacrifices in the interest of the Corporation, and to the members of the staff for their loyal and efficient work, all of which has served well in building and operating a sound and useful Corporation to serve the purposes for which it was created. Except for the fine work and cooperation of all those referred to and the patience and aid of you Stockholders and Members, the fine results of operations could not have been achieved.

Temporary Extended Benefits

President Kennedy signed the Temporary Extended Unemployment Compensation bill Friday, March 24 and Employment Security Commission Chairman Henry E. Kendall signed for the State of North Carolina on Monday, March 27. Chairman Kendall's signature had the same effect as if he had signed the same day as the President.

The payments of benefits under this act go into action fifteen days after the bill's signature which would be April 8. Since April 8 falls on Saturday, a day when Employment Security offices are closed, the first day on which initial claims may be filed will be April 10. These claims may be filed by exhaustees at any of the Local Offices of the Commission or at spot points where itinerant service is offered.

Claims for continued weeks of benefits may be filed for the week ending April 4 on April 17. Payments will be made on or about the 24th of April for that week. The necessary additional personnel and machines have already been added and the workers are now being trained so that there will be no holdup in getting the money into the hands of the exhaustees who qualify for the payments.

Workers may be entitled to TEC benefits, if . . .

Chairman of ESC Henry E. Kendall is shown with Labor Secretary Arthur Goldberg as they greeted each other in Washington recently. the occasion was the meeting of ES Agency Heads for study of the TEC.

They are unemployed . . .

They have established eligibility for State unemployment benefits (or compensation payable to Federal civilian employees—UCFE—, and former members of the Armed Forces—UCX—under Title XV of the Social Security Act), and they have exhausted those benefits after June 30, 1960 . . .

They do not have available benefit rights in any state . . .

They meet the registration and other weekly requirements of North Carolina's

Employment Security Law and are not disqualified.

We are sometimes asked "What is meant by exhausted?"

Generally speaking, benefits are exhausted when a person has exhausted his rights to regular State benefits (including UCFE and UCX), when he has received the maximum benefits allowable to him in his benefit year, or when his benefit year has expired before he has received all his benefits.

The State of North Carolina's Employment Security Commission is acting as agent for the Federal Government in the payment of these benefits. The Federal Program will be financed by a 0.4 percent tax above the present 0.4 percent collected by the Federal Government. It will be levied against the taxable payrolls of covered employers for the year 1962 and 1963 with the first payments of the tax due on or before January 31, 1963. The first $3,000 earned during a year by each employee of a covered employer is considered the taxable part of his payroll.

Estimates based on the number of employees who have exhausted their benefits and/or who will be affected by the TEC may run from 40,000 to 50,000. Maximum estimated amount which may be paid qualified exhaustees under the program in North Carolina could be about $7,900,000.

Employment Security Tax Rate for 1961 Declines

The average tax rate applicable to insurable payrolls during 1961 will be slightly less than 1.5 percent—an eight percent reduction from 1960 average rate of 1.6 percent.

Tax rates assigned individual employers are determined on a basis of the insured employers experience in maintaining a relatively stable employment level.

A study underway by the ESC Bureau of Research and Statistics shows that 30, 575 insured employers were assigned rates in 1961 computation. Almost 15,700 insured firms, 51 percent, earned a rate decrease from that for which they qualified in the 1960 period. Of the remaining accounts the rates were unchanged in the computation, 36 percent of all accounts or the rate for 1961 was increased for about thirteen percent because of an inability to offer the workers reasonably regular employment.

The study shows that 78.6 percent of the 30,575 accounts qualified for some rate reduction from the standard 2.7 percent are applicable to those with an insufficient period of insured status required for the calculation of rates in terms of the experience factor established in the ESC Law. Of the 7,600 accounts assigned a 2.7 percent or higher rate, some 3,500 failed to qualify for rate reductions because of the insured status time factor.

Dollarwise, the pattern of rates in the 1961 rate computation and assignment suggests that the 15,700 insured employers earning lowered rates will share in and added saving of more than $3,100,000. This saving results solely from individual employer's better experience reflected in the 1961 computations as compared with experience of a year earlier. The net savings to all employers under the plan of rate variation from the standard 2.7 rate totals more than $28,516,000.

North Carolina's plan of financing unemployment insurance by maintaining a sound reserve policy is paying dividends to N. C. employers by avoiding a reversion to a pattern of abnormally high rates in recessionary periods such as in 1954, 1958, and the present.

In four states in 1960 all employers had rates of 2.7 percent, and in four other states the average rates ranged from 2.8 to 3.1 percent. Nationally, in 1960, the average is estimated at 1.90 percent. This suggests that the 1.6 North Carolina average rate in 1960 and the 1.5 rate average for 1961 comes at a time when decided rate advances would be a depressant to the economy.

N. C. NATIONAL

—Continued from page 85—

are active in all phases of community leadership.

One such project will serve as an example. We are now in our fourth year of recognizing community development projects carried out by local Granges in the state. Cooperating with State Grange Master Harry B. Caldwell and his staff, we offer awards to each Grange whose accomplishments are adjudged outstanding. In the past three years the bank has given a total of $5,575 in these awards.

General Officers

C. M. Vanstory, Jr., Chairman of the Board; Addison H. Reese, President; Patrick N. Calhoun, Executive Vice President; Julian J. Clark, Executive Vice President; Thomas I. Storms, Exe-

—See N. C. National, page 107—

IAPES COMMITTEE PLANNING EDUCATION COURSES FOR ESC EMPLOYEE

By Louis Berini, *Chairman*
ESC Education Committee
Manager, Durham Local Office

Charles B. Aycock once said that North Carolina was too poor not to educate her children.

This idea today is so true and has been emphasized so much that it has become almost a cliche. Any form of government whose existence depends on the intelligence and good judgment of its citizens must educate and educate again if it is to survive.

But today the educative process is coming to recognize more and more as a legitimate function of the state the continuing education of adults: adults who wish to improve on a formal education gained in years earlier; adults who missed the opportunity for an education at some earlier date; adults who simply want to know more about most any subject.

Actually the idea of adult education is an old one. For centuries, probably, man has realized that the only worthwhile education is a continuing education. Faced with the choice either of obsolescence or of enlarging his formal education, the educated man has labored on the job, at night, on his own time, or whenever he could sandwich in the time, to be sure his education remained vital and effective. But in Twentieth Century America, largely because of the increasing premium Americans are placing on an education, another group has been added to the educated group. This is the much larger group of adults who have missed formal education at an earlier time and want to do something about it. With the rapid growth in technology, the press of explosive world affairs, and the responsibilities of an atomic age becoming too great a burden to bear, many adult Americans are seeking a means of catching the golden ring of education missed on the first go around.

At the University of North Carolina, whose history and tradition are rich with its various services to the state, this function of the education of adults is served by the University Extension Division. With its philosophy of the state as the campus and its policy to extend the resources of the University as far as possible to the people of the state, the Extension Division has for forty-seven years served the state community at large.

It is divided into six major bureaus whose work falls into three classifications. Public school needs are met by the Bureau of School Relations, School Tests and Materials, and Audio-Visual Instruction. Formal, organized classes for college credit are taught by the Bureau of Correspondence and Class Instruction. Valuable advice and help is given to various agencies throughout the state by the Bureau of Lectures, Short Courses, and Conferences.

One of the latest indications of adults' interest in a continuing education is to be found in the Evening College at the University campus. Extension Division officials are watching with interest what may very well become a booming educational program for college credit. The Evening College offers a chance to earn as much as one full year toward a degree at most colleges or universities around the country. What is more important, this evening class opportunity allows an adult with job and family responsibilities to attend University classes taught by University professors for University of North Carolina extension credit.

A more recent service of the Extension Division that is directed toward personnel in the Employment Security Commission is that of acting as consultant to a Special Committee on Education of the North Carolina Chapter of IAPES. The committee, appointed by President Howard Winston, Area Supervisor in the Charlotte area, has as its objective the recommendation of an educational program for the development o personnel in Employment Security. It members are Mr. Louis Berini, Chairma Manager of the Durham office, Mrs Maude Sprinkle, Evaluation and Trainin Specialist, and Mr. Tom Adams, Admin istrative Assistant in the state office Sometime in the month of February members of IAPES will be receiving questionnaire designed at determinin the kind of educational program perso nel in Employment Security desire. Th committee will then attempt to secur approval of the North Carolina Meri System for its program. Members o IAPES will certainly find it to their ad vantage to cooperate with the commit tee's survey. The Special Educatio Committee hopes, through its contac with supervisors and its research of per sonnel, to come up with an educationa program that will extend the resource of a college or university to variou parts of the state and prove beneficia to the Employment Security Commis sion.

N. C. NATIONAL CONVENTION

—Continued from page 96—

ington Showcase," where convention participation may be used by observers to measure the IAPES. For members who have been complaining about the cost of convenient living, the D. C. meeting may be an opportunity to "recuperate." Free parking and free use of the hotel swimming pool will be thrown in with special rates for delegates and guests. Children housed with their parents will be accommodated free—the hotel to provide cots when beds are inadequate.

In addition, the $21 package cost of the full convention will include the registration fee, two receptions, a dance, a moonlight cruise on the Potomac River, and reserved seats for the Independence Day fireworks spectacular on the Washington Monument grounds, plus the annual banquet and tours.

This year's conventioners who attended the 1937 International will be in familiar surroundings: The Sheraton-Park, this year's headquarters, was the Wardman-Park Hotel at the time the 25th International was headquartered there.

Many loose ends for the up-coming meeting will be tied together during a meeting of the IAPES Executive Board to be conducted by President Ben Cohen, April 4-7 in Washington.

Education Plan Readied

Education Chairman W. Garnett Johnson and members of his committee have prepared **A Plan for the Training and Education of Personnel in Employment Security Agencies** and the comprehensive report will be discussed during the Executive Board sessions. The plan cover the following major areas:

1. The need for a training program i employment security.
2. Recruitment of young college stu dents or graduates by interestin them in the employment securit program through summer wor training.
3. Upgrading present personne through in-service training.
4. Policies permitting or encouragin undergraduate or graduate leve work for employment security per sonnel and for students intereste in entering employment securit work.

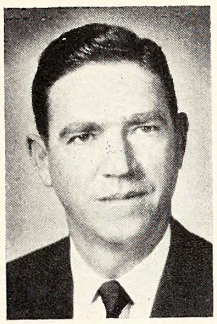
The report also includes a suggeste curriculum in employment security at th college or university level.

Past-President Johnson's committee i completing an outline of courses in law schools which would be appropriate fo ES personnel and preparing a guid showing to what extent colleges and uni versities are prepared to cooperate wit state ES agencies in presenting course included in an ES curriculum, includin whether each participating school has a extension program for either off-campu courses or correspondence work; whethe the school has branch centers in cities o communities accessible to ES personne in local offices; and whether the schoo would cooperate with ES agencies in al lowing qualified agency personnel (wh meet faculty requirements) to assist a instructors in extension classes whic may be arranged for ES personnel.

Millionth Customer Received Same Service Given First—Success Through Service

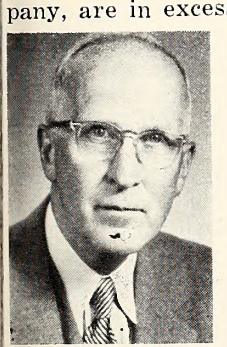
On February 27, 1961, at 5:40 p.m. American Discount Company, automobile finance company with twenty-eight offices in five Southern States, served its one-millionth customer in Hickory, North Carolina.

Mr. Lester A. Sigmon, owner and operator of the Conover Esso Service Station who received this recognition, is symbolic of those 999,999 customers whom the company has served since it was founded forty-one years ago and of those whom it will serve in the years to come.



LATIMER

Customer consciousness is a major foundation on which the American Discount Company, with executive offices at 122 East Stonewall Street, Charlotte, North Carolina, has built this large automobile finance company which operates in the five states of North Carolina, South Carolina, Georgia, Florida, and Alabama. The total assets of ADC combined with its parent company, Auto Finance Company, are in excess of 68-million dollars with a net worth as of December 31, 1960, of $10,566,419.



BARNARD

Perhaps one origin of customer consciousness is found in the company's first audit report, prepared on September 30, 1919, which covered the period from the previous August 22, when the company was organized. Listed alphabetically in the report are the names of each of ADC's forty-three customers from Elza Adams to H. L. Zackman together with the amounts they had borrowed. The amounts range from $2,289.00 to $155.05 and included in the group is the Wheat Street Baptist Church of Atlanta.

The amounts individual customers borrow today from American Discount Company are still about the same as in 1919, but the total outstanding then was $30,860.40 compared with a current volume of approximately 2½ million dollars. Today, the number of customers on the books is about 50,000.

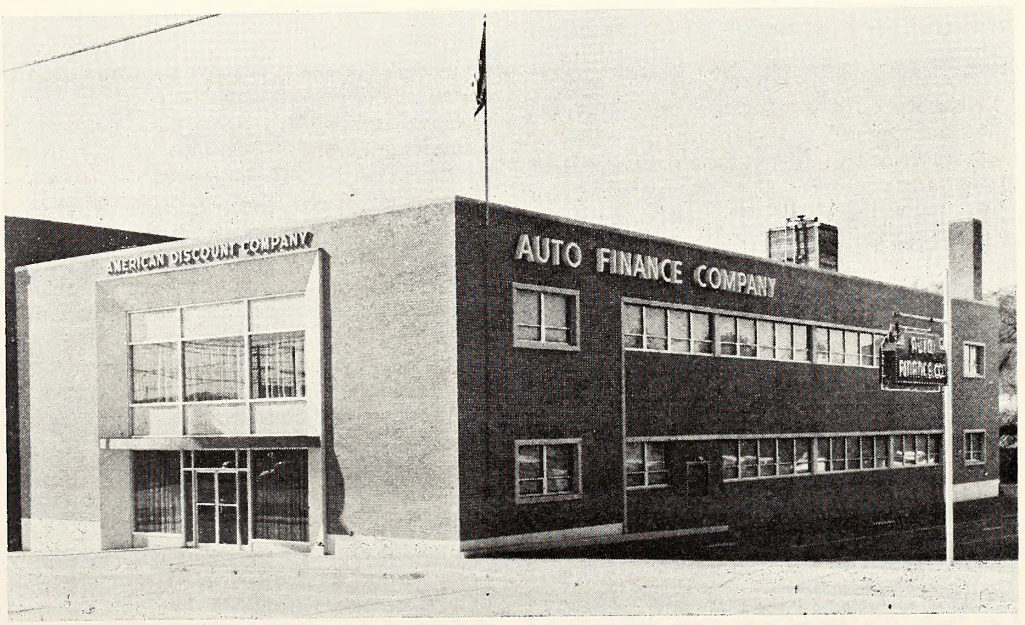
Although this number has increased, today's customer is similar in many ways to those of 1919. He probably lives in a small community or rural area, although he may live in a large Southern city. He is very likely to be a skilled workman in a mill, a hospital or in one of our multiplying research centers. He may be a farmer, a store clerk, a post office employee or a city fireman. Because ADC has built an outstanding reputation over the years in communities where it is long established, owners and managers of many kinds of businesses throughout the South are included as customers. Legislators and educators are also on its rolls.

Regardless of the occupation or profession of those whom ADC serves, they all have one common need—and that is transportation. Whether the need is for a mill foreman to get to and from his place of employment, a sailor's wife to go grocery shopping, or a statesman to display a new model car in keeping with his social prominance, they can find their needs fulfilled by ADC. Not only does ADC supply the several thousand dollars required to "put wheels" under its clients; but, in a vast number of localities, it also "floor plans" dealers. This financing of wholesale purchases for dealers enables the dealer himself to acquire his cars from the factory or used cars from private owners for resale.

Thus ADC has had a part not only in making possible for the individual purchaser to secure the necessary transportation to go about his daily duties but has made it possible for hundreds of automobile dealers to do more business and become economically significant in their own communities. Taken from the larger view, the service of American Discount Company has had a part in making possible the mass production of automobiles for factories in helping to make mass sales possible. Such mass production has in turn helped reduce production costs for automobiles on today's markets. This kind of service multiplied by that of other similar companies throughout the United States have helped one of our major industries and defense facilities to become the production giant which it is today.

Despite all the far reaching influencies, however, it is the customer in the Southern city, who requires the transportation, that makes it all possible. Cognizant of this and in recognition of all that the customer means, ADC declared the month of February, 1961, "Customer Appreciation Month". The company, in announcing this special period for customer appreciation, was also prompted by its conviction that the period of "economic recession" which the country, and especially the automobile industry, was suffering might, to some

ADC's millianth customer since 1919 when the campany began aperatian is Lester A. Sigmon (center) of Conaver, N. C. He is presented here with a watch by Sapp Funderburk (left), Manager of ADC's Western Caralinas District, while Jahn Marrison, Hickary Branch Manager, looks an.



Charlatte headquarters for Auto Finance Campany, American Discaunt Campany, American Credit Company and all insurance subsidiaries are in this building at 122 East Stanewall Street.

degree, be eased if more companies would take time to express appreciation to their customers.

Commenting on "Customer Appreciation Month", E. P. Latimer, president of the American Discount Company said: "Years of a bountiful economy have caused many businesses to forget that the source of all that they have or can get, in a free enterprise economy, is a satisfied customer. One method of keeping our economy free and healthy should be rededication to the spirit of personalized customer service."

This same spirit of individual customer service was never more expertly practiced than by the late Herman A. Moore of Honea Path, South Carolina. Mr. Moore, who began as a used-car dealer in Greenwood, South Carolina, started Auto Finance Company on March 13, 1934, while working from his used car lot. The executive office was moved to Charlotte in 1938.

During World War II, Auto Finance Company disposed of its automobile receivables to enter into war related enterprises but re-entered the automobile business immediately after hostilities ceased. In 1947, the company acquired American Discount Company, which was then operating in the States of Georgia, Florida, and Alabama. Mr. Moore died in 1948, shortly after Edwin P. Latimer, also a native of Honea Path, was made president of the company.

Consciousness of customer requirements again appeared sharply to the company when it became apparent that considerable confusion resulted from the fact that local offices of the company in three Southern States were named American Discount Company while those in North and South Carolina were called Auto Finance Company. The situation was even more confusing because American Discount Company became the operating subsidiary for all branch offices while Auto Finance Company became the parent company of ADC as well as Southeastern Fire Insurance Company which later established Citadel Life Insurance Company.

Therefore, in the interest of clarifying the identity of the company, so that a customer could, for example move from Florida to North Carolina without at first believing his automobile contract had been sold to another finance company, a name change was instituted. On October 1, 1958, the name of all North Carolina and South Carolina branch offices became American Discount Company in conformity with that of offices in other states.

In honor of the personal approach the company has displayed to all its friends and because of managements strong belief in employee participation in plans and developments, a simultaneous hook-up by telephone was secured for the occasion. Loud speakers at each of the fourteen branch offices in North Carolina and South Carolina, where the hook-up terminated, provided a means by which announcements of the name change from the headquarters of the company in Charlotte could serve as the nucleus of a local ceremony in each city.

For the occasion, customers, dealers, stockholders and employees, banking friends and others were invited to local branch offices on the day of the name change. The name change was officially announced by Edwin P. Latimer, president, at a special Charlotte headquarters' office ceremony. He was followed in his remarks by others of the officers who rededicated the company to service throughout the Southeast.

Now realizing that it must begin a broader customer service, the company is currently exploring additional avenues whereby it may serve the people of the Southeast.

In 1960, American Credit Company was formed as a subsidiary of American Discount Company. ACC, headed by John Brown, current president of the North State Loan Association, is engaged in consumer loan type operations. The company has seven offices in North Carolina and is taking steps to enter the consumer loan business in other states where automobile finance company offices of the company operate. In 1959, Citadel Life Insurance Company expanded its operation from credit life to the writing of ordinary life insurance. At the same time, it acquired additional agents and set up a headquarters staff in the executive office building of the company in Charlotte.

Speaking before securities dealers in Charlotte, North Carolina, on March 22, 1961, President Latimer outlined plans that could take the company into the financing of farm equipment, house trailers, shell homes, home modernization, household durables, durable personal property, leasing and rediscounting as well as heavier penetration in the consumer loan field and, of course, continued automobile financing.

A new addition to the management team is B. W. Barnard, recently retired vice chairman of the Charlotte National of Directors of North Carolina National Bank, who is now Chairman of the Executive Committee of Auto Finance Company and subsidiaries. He maintains offices at the Charlotte headquarters of the company and is serving in the area of long-range planning expansion, investments and diversified fields of financing.

Before coming with AFC and subsidiaries, Mr. Barnard had served for nearly fifteen years as a member of the board of directors of the company. In late 1960, as result of a stock redemption offer, some members of the then board of directors resigned their positions upon the tendering of their AFC stock holdings.

Members of the current Board, in addition to Mr. Barnard, are: James G. Cannon, vice president Southeastern Factors Corporation, Charlotte, N. C.; Hugh A. Cathey, vice president and treasurer AFC, Charlotte, N. C.; Cornell G. Fuller, banker and contractor Miami, Fla.; Rutledge H. Hammond president Moore's Inc., Greenwood, S. C.; M. E. Kilpatrick of Smith, Kilpatrick Cody, Rogers, and McClatchey, Atlanta Ga.; Edwin P. Latimer, president AFC Charlotte, N. C.; Herman A. Moore, Jr. vice president AFC, Charlotte, N. C.; William S. Morris, publisher The Augusta Chronicle, Augusta, Ga.; Jake Rasor, farmer, Cross Hill, S. C.; and William D. Tinsley of Tinsley and McGowan, Greenwood, S. C.

ADC officers not on the AFC board of directors include Walter B. Latimer vice president; Ralph H. Griffin, vice president; Graham W. Denton, vice president; S. Hart Booth, Jr., vice president and treasurer; S. A. Benton, assistant vice president; and R. Earl Taylor secretary. Hugh A. Cathey is president of Southeastern Fire Insurance Company and The Citadel Life Insurance Company.

The success of American Discount Company and its related companies is a tribute to free enterprise in the South and a significant example of the economic self-help the Southern enterprises are able to administer in the development of a spiraling Southern economy.

AUTO FINANCE AGENCIES

Although there are hundreds of Auto Finance Companies about this State, they are not under the same jurisdiction as are other financial institutions. Only one is registered with the Commissioner of Banks in this State.

The firms run in size from one-man firms to giants like GMAC, CIT, and others nearly as large. All are perfectly legal and may do business in money lending on automobiles and trucks ONLY. They are subject to usury laws of North Carolina. All that is necessary to open an auto finance company is to buy necessary licenses and open up.

We selected one at random from the vast number operating in the State and present it as fairly representative of those doing business in the State.

BACHE AND CO.

—Continued from page 54—

curtail. During 1933 when banks were closed in a desperate effort to get the economy underway again, Bache & Co made headlines by extending currency to its customers in Detroit and several other hard-hit cities. The firm added to its fame when it proclaimed, in advertisements, it renewed confidence that the worst was known and recovery seemed due. For whatever psychological uplift one firm's conviction could have on spurring recover, it backed this trust with a more concrete across-the-board 10 per cent wage raise for its employees.

Most of the larger houses in existence today owe their size to consolidation and mergers. Bache & Co. on the contrary, grew internally,—in good times and bad—to stature in each field in which it operates.

The firm has pioneered in many categories. It was a "wire firm" with a large

—Continued on page 104—

ACTORING AS AN AID TO NORTH CAROLINA INDUSTRY

specialized type of financing came North Carolina late in 1946 when the retary of State granted a charter to theastern Factors Corporation, Char-e, North Carolina.

rom a modest beginning, the compa-nas grown to the point where its capi-funds exceed $2,000,000 and its total urces $9,000,000. The company fi-ces more than 100 manufacturers and ributors and this year should trans-a volume of business of $70,000,000. eveloping this business, Southeastern accumulated some 30,000 credit files concerns throughout the United es.

ntil Southeastern was organized, erns using "factoring" as a financ-device had to seek out of state fac-, then concentrated in New York and r large money markets.

actoring is a method of financing ch accelerates the turnover of that of a concern's working capital rep-nted by its accounts receivable. When actor's client gets an order from a omer, he requests his factor to ap-ve the credit standing of the custom-Having received such approval, the nt ships the goods and the factor es cash available against the ship-t immediately, assumes the full cred-isk and handles all bookkeeping de-, including sending statements to client's customers and effecting col-ons. Thus, the factor becomes an gral part of its client's business.

s the Credit Department of such a ness, the factor maintains up-to-date on the client's customers and gives credit approval to the orders re-ed. Having substantial resources or quate lines of bank credit, the factor assume larger risks in checking e credits than the average business afford. When the goods are shipped, invoices are assigned to the factor are purchased by him for cash. much as the invoices are purchased out recourse, the factor thereby in-nifies the client against losses due nsolvency of his customers and re-ng from their refusal to pay for chandise received and accepted by n. The factor then assumes the role Collection Department in collecting amounts due on the invoices, follow-up past due items, referring uncol-ble accounts to collection agencies ttorneys for action, and attending itors' meetings in reference to the irs of debtors, operating under itors' committees, in receivership, or er trustees in bankruptcy.

he cost of these services depend pri-ily upon the client's volume of sales, terms of sale and the general credit ding of his customers as a group, will approximate 1% to 1½% of sales for credit and collection serv-and for indemnification against credit losses. Advances of cash against the invoices, prior to maturity, are made at the rate of 6% per annum. If an invoice is not paid at maturity and becomes past due, interest ceases to be charged on the advance made against the invoice. Thus, the factor not only insures his client against the non-payment of accounts but also insures the prompt settlement of accounts.

CLIFTON B. WILBURN
Pres. of Southeastern Factors Corp.

Based upon these costs, the concern which is not in sufficiently good financial condition to take advantage of trade discounts will save more than the factor's interest charge by factoring its sales and using the cash received to discount its trade obligations. The cashing of sales will enable this concern to increase its stock of merchandise. The management, now free of the details of checking the credit standing of customers and collecting accounts, can devote more energy to promoting sales. With a larger volume of sales, profits should expand. Increased profits and the elimination of credit losses will more than cover the factoring commission.

The concern with adequate capital, transacting an annual volume of approximately $500,000 or more, and having a desirable clientele will not be called upon to cash its sales but will find that the cost of factoring at a favorable rate will be considerably less than the expense of maintaining an adequate Credit and Collection Department and taking the credit losses as they come.

If the average business can save money by paying a nominal factoring charge and thus avoid credit losses, why doesn't the factor lose money in assuming the credit losses for the same nominal charge? The answer is that the fac-

ANALYSIS SHEET

SAVINGS EFFECTED:

1. **Credit Department Expenses.** Include cost of personnel, credit information, equipment and space ..... $_____
2. **Accounts Receivable Bookkeeping Costs.** Include cost of personnel, supplies, equipment and space ..... $_____
3. **Collection Expenses.** Include cost of personnel, statements, postage, and collection fees ..... $_____
4. **Credit Insurance.** ..... $_____
5. **Bad Debts.** Average credit losses past two years ..... $_____
6. **Interest on Borrowed Funds.** ..... $_____

PROFITS OBTAINED:

Through factoring, additional profits are available to you as follows:

1. **Earnings Resulting from Increased Sales Volume.** Estimate profits on additional sales made possible through factoring ..... $_____
2. **Discounts Earned on Accounts Payable.** Estimate purchase discounts you will earn through use of our funds ..... $_____
3. **Improved Bargaining Position with Suppliers.** Estimate value of better prices, deliveries and services available from your suppliers through use of our funds ..... $_____
4. **Executive Time Devoted to Financing, Credit and Collection Matters.** Value of your time when available for production and sales ..... $_____

TOTAL ..... $_____

COST OF FACTORING:

1. **Factoring Charge.** Commission for credit and accounts receivable work performed and credit risks assumed ..... $_____
2. **Interest.** 6% per annum on funds advanced in the amount of $_____ ..... $_____

TOTAL ..... $_____

NET SAVINGS OR COST ..... $_____

tor is able to practice numerous economies by gearing his Credit and Collection Department to the handling of a large volume of work and is able to minimize credit losses by sound credit practices. Detailed and complete credit files are maintained on all customers. He is in constant touch with his clients' customers and is well informed as to the conditions affecting the lines of business in which they are engaged. Adverse credit experience with an account on behalf of one client will tend to prevent the factor from incurring additional losses on the same account. Experience in handling situations involving creditor's committees, receiverships, and bankruptcies enable him to obtain the maximum in settlements.

The monetary advantages of factor have been discussed at length but th are other benefits to be derived fro factoring relationship and, while th benefits are intangible, they are, ne theless, worthwhile. For instance, factor, being intimately acquainted v

—See Factoring, page 107—

1961 FARM PLACEMENT MEETING

PICTURED ABOVE during the Goldsboro Annual Farm Placement Conference last Thursday and Friday, March 2-3 are: Farm Placement Supervisor Raymond Umstead, Employment Service Division Director Joseph W. Beach; Assistant ES Director Ernest C. McCracken; Regional Office Farm Placement Representative Ralph M. Turner, Chambersburg; Asst. Reg. FP Representative Albert C. Meierer, Chambersburg, Pa.; and Research Statistics Director Hugh M. Raper. We took a picture of Asst. State Bob Wadsworth, but either we, or the film processor goofed. Other tures show the group from different angles. Arrangements for this were generally considered "best ever."

BOR RESOURCES IN NORTH CAROLINA FOR INDUSTRIAL DEVELOPMENT

RESEARCH & STATISTICS DEPARTMENT
mployment Security Commission of N. C.

each county in the State there ex- a sizeable reserve of *referable* work- available for staffing new and ex- ded industry. Quarterly estimates his labor supply are prepared by the loyment Security offices for each of State's 100 counties.

hese estimates are designed to show number of resident workers consid- to be available in the county for *luction* jobs in new or expanding in- ries. Only those individuals who al- y possess production job skills and e persons generally under 45 years ge who are deemed to be adaptable, nable and referable to manufactur- jobs are included in the labor sup- estimates.

enerally the recruitable and refer- labor supply is made up of the fol- ng two groupings:

1. *Persons currently seeking work.* This group includes but is not limited merely to the unemployed. It also includes the underemployed—persons with less than full-time employment and individuals holding jobs which do not utilize their highest skills or jobs which provide only limited opportunity for economic advancement. Experience has shown that many underemployed workers can be recruited from such industries as trade, service, and agriculture.

2. *Potential jobseekers.* This group includes individuals who would enter or ren-enter the local labor market under certain conditions. These workers come from such groups as:

(a) Housewives who would join the labor force if more suitable or better job opportunities existed;

(b) Workers now commuting to jobs in other areas but who prefer local employment;

(c) Young people who expect to find jobs upon completion of their schooling;

(d) Transfers from agriculture seeking industrial jobs.

(e) All others such as school dropouts, and military service returnees.

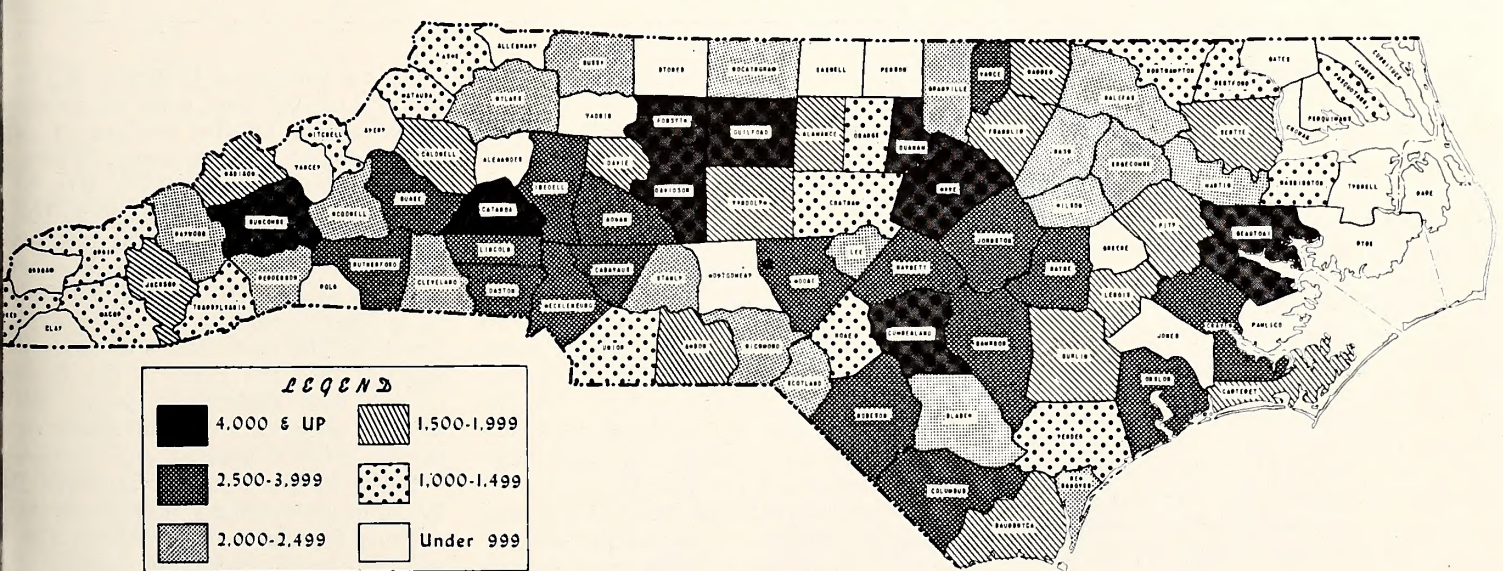
Actually, the labor availability for a specific industrial site may require consideration of the labor supply in terms of the central county and portions of adjacent counties; e.g., the area within a 15-25 mile radius of the plant location. Estimates of this type can be obtained from the Bureau of Research and Statistics when needed.

When appropriate, the Employment Security Commission will assist local community groups and individual employers in making labor surveys based on questionnaire responses. Such surveys yield more detailed information on the characteristics of the labor supply; e.g., industrial work experience, occupational skills represented, and personal characteristics.

EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

RECRUITABLE LABOR FOR INDUSTRIAL DEVELOPMENT BY COUNTY

MARCH 15, 1961



EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA
PRODUCTION TYPE WORKERS
March 15, 1961

County Area	Estimated Available Industrial Labor Supply Total	Sex and Racial Characteristics: White Males	White Females	Nonwhite Males	Skilled And Semiskilled Deemed Trainable Workers: Estimated Number	For Jobs Requiring Skills	County Area
TE-WIDE	XX	72,755	79,115	26,080	59,635	140,865	Burke
nance	1,985	625	735	250	775	1,185	Cabarrus
ander	715	230	425	30	200	510	Caldwell
ghany	370	240	105	10	85	285	Camden
on	1,600	600	550	250	500	1,100	Carteret
	1,110	570	520	10	250	840	Caswell
y	780	370	410	0	185	585	Catawba
fort	4,265	1,370	1,330	635	1,060	3,200	Chatham
ie	1,820	350	320	450	175	1,640	Cherokee
en	2,205	570	495	640	260	1,925	Chowan
swick	1,500	610	340	300	275	1,210	Clay
combe	6,800	2,500	3,250	500	1,200	5,580	Cleveland
	2,200	935	1,120	80	725	1,455	

—Continued on next page—

EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA
PRODUCTION TYPE WORKERS
(Continued)

County Area	Estimated Available Industrial Labor Supply Total	Sex and Racial Characteristics			Skilled And Semiskilled Workers	Deemed Trainable For Jobs Requiring Skills
		White Males	White Females	Nonwhite Males	Estimated Number	
Columbus	2,725	735	605	855	520	2,175
Craven	3,800	1,230	1,085	680	915	2,765
Cumberland	5,075	1,775	1,690	1,020	1,700	3,300
Currituck	570	280	130	100	175	395
Dare	400	175	145	40	0	400
Davidson	4,350	1,405	1,985	430	1,190	3,040
Davie	1,750	850	675	150	425	1,275
Duplin	1,600	400	400	400	250	1,350
Durham	5,200	935	2,165	610	1,680	3,485
Edgecombe	2,260	585	770	455	835	1,405
Forsyth	4,400	1,755	1,060	865	1,070	3,290
Franklin	1,875	595	740	255	315	1,530
Gaston	3,700	1,600	1,900	100	2,000	1,675
Gates	305	130	55	100	55	250
Graham	900	500	400	0	230	660
Granville	2,250	810	970	200	835	1,365
Greene	560	200	240	60	50	495
Guilford	6,195	2,270	2,620	620	2,865	3,290
Halifax	2,295	660	995	405	675	1,560
Harnett	3,685	1,105	1,250	760	1,210	2,400
Haywood	2,475	1,440	985	25	875	1,550
Henderson	2,090	1,100	805	90	785	1,280
Hertford	1,250	235	585	240	140	1,085
Hoke	1,375	455	355	310	535	790
Hyde	275	65	50	60	135	140
Iredell	2,700	1,175	1,100	250	1,400	1,250
Jackson	1,555	920	635	0	385	1,135
Johnston	2,975	1,060	1,215	290	330	2,605
Jones	550	155	260	90	50	485
Lee	2,215	760	750	370	480	1,720
Lenoir	1,825	605	665	240	300	1,460
Lincoln	3,000	820	2,080	50	1,150	1,825
Macon	1,340	780	520	15	500	800
Madison	1,500	650	850	0	300	1,200
Martin	2,125	315	510	360	495	1,610
McDowell	2,325	910	1,210	130	850	1,445
Mecklenburg	3,550	1,200	1,300	400	1,325	2,220
Mitchell	1,010	415	595	0	390	605
Montgomery	860	305	310	130	200	655
Moore	2,500	845	845	405	630	
Nash	2,090	510	825	320	750	
New Hanover	2,250	800	915	270	800	
Northampton	1,075	185	490	230	125	
Onslow	3,500	1,355	1,065	625	850	
Orange	1,475	295	805	90	595	
Pamlico	800	270	170	190	210	
Pasquotank	1,435	565	485	145	465	
Pender	1,485	590	345	300	225	
Perquimans	380	105	130	95	125	
Person	875	135	290	120	310	
Pitt	1,890	565	530	490	245	
Polk	935	510	350	45	300	
Randolph	1,620	840	670	55	925	
Richmond	2,300	975	1,000	200	800	
Robeson	3,400	840	745	1,010	570	
Rockingham	2,215	755	850	330	875	
Rowan	3,900	2,100	1,425	275	1,200	
Rutherford	2,870	1,090	1,250	290	670	
Sampson	3,260	780	1,065	725	810	
Scotland	2,000	600	725	400	675	
Stanly	2,115	830	790	305	880	
Stokes	950	465	340	85	165	
Surry	2,100	1,050	950	50	775	
Swain	1,140	590	505	25	440	
Transylvania	1,025	570	375	50	240	
Tyrrell	385	150	60	150	90	
Union	1,160	430	435	125	465	
Vance	2,500	900	1,075	225	925	
Wake	4,305	1,515	1,705	540	870	
Warren	1,500	540	645	135	360	
Washington	1,100	225	250	275	210	
Watauga	1,215	595	590	15	225	
Wayne	2,800	700	700	700	500	
Wilkes	2,060	865	1,020	100	450	
Wilson	2,455	775	705	510	480	
Yadkin	850	375	450	10	170	
Yancey	950	445	505	0	310	

BACHE & CO.

—Continued from page 100—

private network even before the 20th century dawned. It was departmentalized while the industry generally was a haphazard one; a 1918 firm account describes in detail its organization into seven key departments to centralize its services.

At one time it operated a "mobile branch"—an office aboard the French luxury liner, Normandie. Today Bache & Co. supplies to every ship at sea that desires it, a daily market report furnished by the firm and distributed by United Press International, Inc. It has also recently inaugurated a daily market news service to planes flying between the United States and continental Europe.

Of a lighter nature, but at the same time shattering a 95-year precedent, was the firm's employment of a girl messenger on the floor of the Chicago Board of Trade.

The first stock quotations to be transmitted by radio were furnished by Bache & Co. to the pioneer General Electric radio station at Schenectady, which spread them throughout the world in what—until World War II—was this hemisphere's most powerful shortwave transmitter. For the last half dozen years Bache has furnished financial and economic information to the Voice of America which is the only service of its kind rendered by a brokerage to the government's worldwide communications organization.

Bache & Co. employees, which at present numbers approximately 3,200, are protected by a combined retirement, benefit and life insurance trust fund. The first of its kind for a brokerage firm, this plan has already passed its 15th anniversary.

Evening hours in branch offices as an accommodation for war workers were a World War II innovation. Saturday office hours for the convenience of weekday workers are still maintained today although stock trading on Saturdays disappeared many years ago.

In more conventional lines, Bache was a name of standing when the financing of the day was organizing the great American organizations that have made the nation the marvel of the world. Its roster of services to railroads, automobile and mining enterprises includes Dome Mines, Ltd., the original Maxwell Motors Corp.—financing of which subsequently ended in Chrysler Corp.—and the Chicago, Great Western Railway. Bache & Co. specializes today in supplying capital for new oil firms.

Unlike the period when great combines were being formed, the present need is for wider public ownership of the broadest type for the nation's corporate resources. This is a prime goal toward which the firm's major efforts are being directed today by its present director, Harold Bache.

It is a conviction of Bache & Co. the future of the country necessa must depend on the venture of ca of 60,000,000 wage earners, where it was almost exclusively left to means of a few wealthy families. The is confident that harnessing the sav of the workers to keep the economy a steady and orderly growth can do m to mitigate some of the more explo upsets of the past. Bache & Co. is fir assured that the firm, in the future in the past eighty-two years, will able to play its role and share equ in the benefits against any competi

Belief in this goal has impelled B & Co. to 20th century merchandising modern principles of investing. The was an early backer of mutual f which, in brief, are pools of capital c ed mostly by small investors. As spurted to prominence after World II, Bache & Co. was in the forefron encouraging them and is believed t the largest seller of such investm of all Wall Street houses.

A few years ago a newer idea embraced heartily by Bache & Co. is the Monthly Investment Plan of New York Stock Exchange, a plan w for the first time makes possible peri investment for people of moderate sources to build up a stake in the tion's industry.

In this radically new idea, Bache & so far, with one or two other houses,

—Continued on page 107—

DON'T BE AFRAID OF THE DARK

By Anne Freeman
State Supervisor of Counseling

Don't be afraid of the dark" was t Henry Belk wrote in an open let- to Victor Riesel. It was after Riesel been blinded by a chemical thrown his eyes by a hired hoodlum during days when Riesel was crusading nst labor racketeering. Henry Belk, or of the Goldsboro, N. C., News- us, knew what blindness means to a spaperman dependant on writing for living. Because ry Belk had ght a losing bat- against blindness all the years of life.

FREEMAN

e was born with racts on both and could not r school until was nine. Still chose, early in to follow journalism as a career. him, there could be nothing else. geons refused to operate on his eyes l he was adult. And when he en- d Duke University with only enough ey to pay his tuition, the cataracts e still there. He got a job to pay his room and board, and operations lear his cloudy vision came during sophomore and junior years in col- . These helped the vision in his left but the right eye was left in very condition.

fter graduation from Duke, he ght English and journalism for two s and directed the news bureau at ke Forest College. He then attended mbia University for one year of luate work during which he also ght journalism at New Rochelle Col- , New York.

n 1926, he came to Goldsboro as edi- of the Goldsboro News and was made aging editor of the Goldsboro News- us when the two newspapers were ged in 1929. He became editor in) and it was three years later that ntered the final long and agonizing se of the losing battle for his limit- vision. A feeling of intolerable pres- and a frightening protrusion of the was diagnosed as detached retina he good left eye.

ine operations followed over the next e years.

fter the eighth operation, Henry seemed to have won the battle. n came a heart attack and while he recuperating from that he suffered final detachment of the left retina the dark was permanent in that

ith slight vision still in the right he went to New York for the fitting nicroscopic glasses. These provided alking and even some reading vision for a year. Then an eye infection brought the dark forever to Henry Belk.

"You will have around you aides and assistants", he wrote to Victor Riesel. "But be they ever so faithful they can never quite win through to you completely. Now you walk alone, really and truly."

When a man is caught in the dark for the rest of his days; when he can no longer see the things he loves—tenderness on the face of a loved one—pines tall against a winter sunset—the ocean that he sought out often to watch surging in storm or gay and dancing in the sunlight; when he no longer has what we call vision, what way can he find out of this prison of darkness?

For Henry Belk, the way out was through selflessness; compassion for others. He reached out of his blindness not so much for help as to give help to others. As Dr. G. L. Overman of Goldsboro said, "The name Henry Belk, wherever he is known, stands for courage, determination and a sympathetic understanding of all peoples and their problems."

For years, he has used his editorials in the News-Argus and his column in the Greensboro Daily News as a voice for the blind. He has spoken to the N. C. Federation for the Blind and the State Workers for the Blind, and he has also written to and of the blind and spoken of them to many civic and church groups. He has written of aids for the blind, such as Talking Books. (A Greensboro man wrote him that he is now enjoying Talking Books after learning about them through Belk's column in the Greensboro Daily News.) He has given editorial support to the Blind Industries and to the Lions' program for helping the blind. Mrs. Annie B. Johnson, President of the State Workers for the Blind, has said that Henry Belk is "North Carolina's interpreter of the blind for the sighted."

A cynic might say that there is little of selflessness in a blind man's becoming engrossed in the problems of the blind. And there might be a grain of truth in that if it were the whole story of his unceasing efforts to help others. But Henry Belk knows that there are other handicaps than those of blindness.

Paul Barwick, a paraplegic since a fall in his early teens and now a newspaper editor himself, has this to say about him: "More than any other person Henry Belk is responsible for any success I have had in my career. Although I loved newspaper work from the time I was high school correspon-

Governor Terry Sanford is shown presenting Handicapped Award to 1961 Winner, Henry Belk, left, of Goldsboro.

dent for the News-Argus, there was many a time when it looked too difficult to pursue. I didn't see how I could go to college and wanted to ask the Vocational Rehabilitation Counselor to give me training in some vocation I could follow in my wheel chair—something that would be easier. Henry was hard on me. He told me the only thing that stood between me and the newspaper work I loved was my own lack of determination; that I ought to follow newspaper work and the only way I could do it was to get the necessary college training. He was a hard master when I worked for him during summer vacations while in college, too. Sometimes it seemed that nothing I could write was good enough and I'd go home at night ready to quit. But his own example was too much. I had to keep plugging with Henry goading me."

Henry Belk has "goaded" lots of people. As another friend of his said, "You know, Henry spends most of his time gently goading people to do things that natural human inertia keeps them from doing. He's kind of a voice of conscience to us here in Goldsboro."

Henry Belk knows that there are other handicaps than those of physical kind. In 1954, three years before the first Russian Sputnik threw the Nation into a frenzy of wondering what our bright kids were doing about getting an education, Henry Belk suggested in an editorial that a fund should be set up so that promising young men and women of both races could have a college education. That night, he received a telephone call from a prominent Goldsboro man saying that he would be happy to help the movement get started by donating the first $500.00. The College Aid Fund has functioned continuously since then. Henry Belk serves as Secretary.

But Henry Belk knows also that there are handicaps other than these and that perhaps the most crippling lies in a blindness of heart and soul, a turning away from light. In his easy way, he pleads for racial and religious tolerance. A Negro high school principal in Goldsboro wrote the editor of the Greensboro Daily News to congratulate the newspaper on securing Henry as a columnist, saying: "Few men of our times in Goldsboro, quietly and unobtrusively, have exerted greater influence upon the amicable balance in race relations than has Henry Belk."

He is a lifetime member of the Baptist Church and has been increasingly active in its ranks. He is chairman of personnel and publicity of the deacons of the Madison Avenue Baptist Church in Goldsboro and was a messenger from that Church to the Southern Baptist Convention in Miami in May, 1960. He is a director of the Biblical Recorder, official paper of the Baptist denomination in North Carolina. He was one of a group of North Carolina Baptists who collaborated in the issuance of "A Declaration of Conscience," a statement of principle made during the recent presidential election. And his editorial columns carried the plea for religious tolerance.

Now man is not all of one piece. He does not arrive at greatness in one movement; he does not come all the way from pride up to humility in one grand step. In his letter to Victor Riesel, he speaks of "the moments of dull despair which will capture you." But he also says, "if you can wait long enough you will come upon a new sense of trust in yourself."

The imagination can only wonder at the many battles Henry Belk must have fought with himself, alone and in the dark. His life shows that the trust he found in himself may have come from the trust he placed in others. He has served on almost every civic endeavor his community has brought forth—too numerous to mention here. A few of those listed in *Who's Who in the South and Southwest*: Member of N. C. Citizens Committee for Better Schools; Member and Past President of the Goldsboro Rotary Club, which last year gave him its outstanding citizenship award for "spiritual, cultural and economic development of his community and state." He was one of the organizers of the Wayne County Historical Society and recently spoke at the annual meeting of the N. C. Literary and Historical Association in Raleigh.

North Carolina editors have bestowed on Henry Belk almost every honor in their power. He has been president of the Eastern North Carolina Press Association, president of the N. C. Associated Press News Council and president of the North Carolina Press Association. He is probably the most widely quoted editor in North Carolina newspapers. His column in the Greensboro Daily News, in this day of syndicated columns, is an effort to get a North Carolina "flavor" on the editorial page.

The flavor is there. Henry writes feelingly of the joys of eating barbecue and country ham, and tells of smelling the salt in the air as he stands on the ferry crossing to the Outer Banks. Telling of the life of the men who go with the menhaden fleet into the winter of the Atlantic is just as much a part of Henry's life as are the three recommendations he made for the Carnegie Award for bravery, or the drive he spearheaded to help a "blue" baby who needed a heart operation.

His wife, Lucile, is always by his side. So close and harmonious is their relationship that you hardly know that she has murmured your name to Henry as you approach. She reads the newspapers and magazines to Henry and edits his copy for typographical errors.

"Most difficult for me, and it may be for you," he wrote to Victor Riesel, "will be the treating as normal and average the fact that you no longer can see." This Henry Belk has done so well that recently an associate said of him, "Today he is doing the best w of his long, able, distinguished car

To those who know him, Henry B life makes meaningful these words s en by William Faulkner on the occa of his acceptance of the Nobel Prize Literature: "I believe that man will merely endure: he will prevail. H immortal, not because he alone an creatures has an inexhaustible v but because he has a soul, a spirit able of compassion and sacrifice and durance."

Henry Belk's life, spent for the part in a small Southern town, is a ing testimonial to man's ability to merely endure" but to "prevail" bec he is amply "capable of compassion sacrifice and endurance."

WHAT DO 100 JOBS MEA TO A COMMUNITY

People often wonder what 100 jobs mean to a community. Instea painting the real picture which is par ly brightened by the unemploy benefit checks which put money int pockets of the workers who need it. see what the addition of 100 peopl a payroll mean to a community.

From the US Chamber of Comm figures we find that when 100 new tory jobs are created: 296 more p make the comunity their home, wholly new households are establi 4 more retail businesses open, 107 passenger cars are registered an jobs are created in addition to the new factory jobs.

There is $590,000 more in persona come; $270,000 in bank deposits $360,00 more in retail sales per ye

Now if we were to project what pened when 70,000 jobs are lost, we into some astronomical figures. The ulation would be reduced by 20 Households reduced by 70,000; 2,10 tail establishments would have to c passenger car registrations would b duced by 73,000.

Luckily, no such catastrophe has pened, nor is it likely to happen in State. At the present (March) tim have about 71,000 people filing conti weeks of benefits for claims. Base the average of $20.60 per unemploy benefit check. we have approxim $1,464,000 going into the tills of existing businesses from the pocke the insured unemployed.

Money with which these payment being made was paid into a trust by employers of North Carolina t sure against unemployment. Conseq ly, when employees are out of work to lack of work, slack demand and of orders, they still receive be with which to keep their household erating. Not a welfare not chari gift, but a payment which is figure along insurance lines and adminis according to the Employment Sec law of the State.

MERICAN MORTGAGE INSURANCE COMPANY NEWEST FINANCIAL FIRM

n Room 505 of the Capital Club lding of Raleigh is the State's new- venture into the field of high finance. en one considers the potentialities he new firm, he can understand the gh" with finance.

he organization received its charter n the State in March and is growing apidly, it may have to move to other rters before the offices in the new st Federal Savings and Loan Asso- ion Building are completed.

fficers of the AMI are Harold Make- ce, of Sanford, Executive Vice Presi- t; Harry W. Lewis, Jr., of Durham Winston-Salem, Vice President and es Manager; and Henry V. Cunning- n, of Charlotte, Vice President and charge of Mortgage Loan Under- ting.

ther officers and Board of Directors : President, Frederick W. Willetts, Wilmington; Vice President, Claude rie, Durham; Vice President, W. J. nn, Sanford; Secretary, W. A. Cran- ry, Greensboro; and Treasurer, R. D. m, Raleigh.

he Company was organized in re- nse to a growing need for a flexible rance program offering guarantees inst financial loss to mortgage lend- . A most important aspect of the vate enterprise approach to insuring rtgage loans is its ability to keep e with current economic conditions ranting such changes as are vital to ling operations without delay.

AMI's principal objective is to develop erves of such size as to provide lend- institutions with maximum security ing deflationary cycles in the real ate economy.

o aid the lender, builder and borrower cutting out the usual "red tape" and decrease the time element in complet- loans, simple procedures and rapid cessing has been built in. A particu- ly desirable feature of the plan is con- ent with traditional principles of vate enterprise, it encourages freedom negotiation between lender and bor- ver, and therefore makes no attempt control interest rates on mortgage ns.

Under the insurance of AMI lending titutions are able to broaden their rkets by making available to the bor- ving public higher risk loans with ade- ate safeguards. This service offered the home-buyer by the lender stimu- es progress in housing development. Basically, the service offered by AMI to enable Savings and Loan Associa- ns to make loans on property up to % of the value. Presently, they are nd by their bylaws in most cases to maximum of 80% of the appraised perty value.

AMI insures the top 20% of a loan so t the builder can get his money im- diately, and the borrower can get re money with which to buy his home. The Company will insure, for 2% of the loan, 90% of the first $20,000; 80% of the next $5,000; 70% of the accepted appraised value in excess of $25,000. The maximum loan considered for insurance is $35,000.

Is this new organization getting business? For the days they have been in business, ready to insure and process their insurance, they have averaged insuring five a day. Incorporated for a million dollars, the Company has $450,000 in paid up stock and none is for sale at this time.

N. C. NATIONAL

—Continued from page 97—

cutive Vice President; and Herbert M. Wayne, Executive Vice President.

Charlotte

Frank O. Sherrill, President, S & W Cafeterias, Charlotte Board Chairman.

Greensboro

James W. Poole, Senior Vice President and Cashier; J. C. Wilson, Regional Manager, Western Auto Supply Co., Greensboro Board Chairman.

Burlington

E. H. "Pat" Foley, Senior Vice President; Reid A. Maynard, President, Tower & Grace, Hosiery Mills, Inc., Burlington Board Chairman.

Durham

J. Meredith Jones, Jr., Senior Vice President; M. Arnold Briggs, President, Austin-Heaton Co., Durham Board Chairman.

High Point

C. M. Allred, Senior Vice President and High Point Chairman.

Raleigh

T. W. Steed, Senior Vice President; L. A. Lentz, Raleigh Board Chairman and Vice President.

Statesville

John G. Knox, Senior Vice President and Statesville Board Chairman.

Tarboro

W. J. Ausbon, Senior Vice President; L. W. Hill, Chairman, Carolina Telephone & Telegraph Co., Tarboro Board Chairman.

Wilmington

Michael C. Brown, Senior Vice President; N. L. Foy, President, Standard Paint & Hardware Co., Wilmington Board Chairman.

Winston-Salem

Guy R. Dudley, Senior Vice President; Judge Leroy W. Sams, Winston-Salem Board Chairman and Vice President.

BACHE & CO

—Continued from page 104—

handled by far the bulk of the commitments made under the plan.

Offering participation in investments by as little as $40 every three months, this plan, Harold Bache feels, could go a long way towards overcoming the inherent reluctance of average people to consider investments in the belief that it "takes too much money". Moreover, through experience with actual investors, he knows the strong proprietary pride a share in a leading corporation engenders.

Necessary tools of the firm, which are being amply utilized, are modern methods of promotion and salesmanship. Bache & Co. is one of the few firms that has joined in extensive support of the industry effort to encourage stock ownership, spearheaded by the New York Stock Exchange. The media of modern merchandising—press, magazines and radio —have been utilized by Bache & Co. in such provocative programs as those entitled: "Become a Partner in American Industry" and "Are You a Two Percenter?"

For the most part, the men of Bache

—Continued on page 119—

FACTORING

—Continued from page 102—

markets and sources of supply, can frequently be instrumental in obtaining hard-to-get materials for his client. Furthermore, not only can he be relied upon to give constructive advice in respect to the marketing of his clients' normal production, but also to uncover buyers for merchandise stranded and unclaimed at distant points, obsolete production, imperfect merchandise, mill ends, waste, etc. The amicable settlement of numberless merchandise disputes as to returns, freight charges, quality, merchandise, etc., may be attributed to the factor as arbitrator.

The selection of a factor can be an asset to your business. In establishing a factoring relationship, the client should avoid a long term contract; such a contract is to the advantage of the factor only. If a long term contract is terminated prior to expiration some factors exact a cancellation fee. The factor's place of business should be reasonably accessible so that he may be available for consultation, advice, or information with the minimum of expense. Accessibility is of further importance because time consumed by the transit in the mail of (1) the factor's credit approvals of orders to the client, (2) the latter's duplicate invoices to the factor as evidence of the shipment of the goods and (3) the factor's remittance of funds to the client in payment for such invoices purchased, is valuable.

No claim is made that factoring is a proper method of financing for all business concerns. Therefore, to enable a prospective client to determine its desirability, Southeastern Factors developed the following Copyrighted Analysis Sheet. This schedule lists the overhead costs which are eliminated and the profit potentials to be gained.

RETIREMENT SYSTEM FOR TEACHERS AND STATE EMPLOYEES "ON THE GROW

By Nathan Yelton,
Executive Secretary

The Teachers and State Employee's Retirement System came into being in 1941 through an act of the State Legislature. It includes "All full time employees, agents or officers of the State except Justices of the Supreme Court; Judges of Superior Courts; and the Attorney General." Also included are "Teachers and regular employees of Boards of Education, including superintendents of Boards of Education and the State Superintendent of Public Instruction and his staff".

Regardless of whether teachers are in the city or county school system, so long as they are full-time employees of the public schools system of the State, they are under the Retirement System. The fact that the school year is less than 12 months does not interfere with their status as members of the System.

Librarians are considered as "teachers" under the act if they are a part of the public school staff on a full time-basis.

The Federal Social Security System comes into the picture through a provision for coverage of State and Local Government employees under an agreement between the Governor of this State and the Federal Secy. of Health, Education and Welfare. North Carolina passed the enabling act originally in 1951. Since that time some amendments have been added. The original agreement was between Governor W. Kerr Scott and the Federal Secretary of Health, Education and welfare and was executed in July of 1951. At that time coverage of State and Local Government employees was extended to employees whose positions were not subject to membership in any retirement system. The Federal act was amended in 1954, and the State Act in 1955, to provide for coverage of State and Local Government employees whether subject to a retirement system. Advantage of the cooperative effort of Social Security and the Retirement System was that benefits payable to such employees were materially increased over Retirement payments alone.

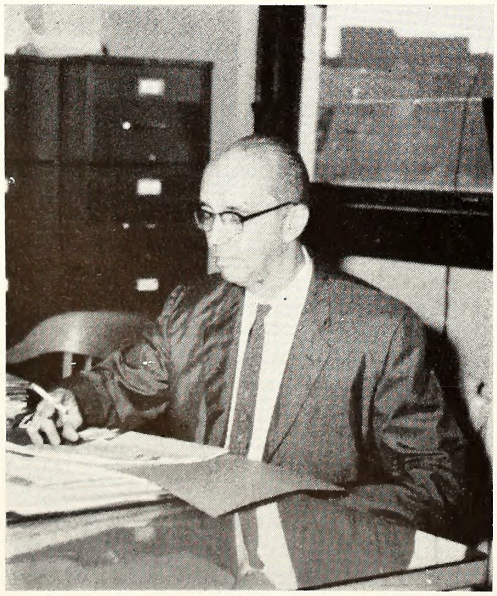
Under the Social Security System women may retire at the age of 62 and men at age 65. Under the Retirement System, they may retire at 60. The employee who has been a member of the Retirement System for 30 years may retire regardless of his age. His payments will be computed according to the amount to his credit and to his life expectancy. If he likes, he may leave the fund with the retirement agency and begin rec ing payments when he reaches 60.

Retired members under age 72 subject to certain restrictions as to amount of money they may earn w being paid benefits. Social Security Retirement System regulations are si lar. No deductions will be made so l as the money earned does not exc $100 per month, nor more than $120 year. Over $1200, but under $1500 year, reductions equal $1 for each earned for the amount above $1 Above $1500, reductions are $1 for

Retired people beyond 72 receive t Social Security payments regardless the amount earned.

All Social Security funds for all S and Local Government units covered Social Security are paid to the Ret ment System. These are paid to the

Executive Secretary Nathan H. Yelton of the T&SERS of NC, ond UCLGERS, ond Director of the N Public Employees' Sociol Security Agency. Toking dictotion is Mrs. Morie P. Witherspoon.



C. P. Deyton, Assistont Director, N. C. Employees' Sociol Security Agency, ond Assistont Executive Secretory, Teochers ond State Employees' Retirement System of North Corolino.

First frome: Williom V. Didiwick, Jr., unit supervisor exploins the work of his unit to Rowon Co Representative Clyde H. Horriss of the North Corolina Legisloture. Second frame: Didiwick desc the action of on IBM "broin" to Mr. Horriss. Right, Mr. Horriss points out section of building which he helped secure the money through his work in the Legisloture two yeors ogo. His inter listener is Executive Secretary of the Retirement Systems Nathan H. Yelton.

al Government once each quarter. Generally speaking the Social Security ard accumulates wage records and lculates benefits on the basis if age d average covered wages. The Retire- ent System accumulates contributions, mpounds interest at 4% per year and time of retirement of the member lculates payments on the basis of tal accumulated employee and employer ntributions and life expectancy of embers.

The contribution rate of employers arious State government departments, d/or local government units) is cal- lated pretty much along the same lines the employers contribution rate tables the Employment Security Commission. is based on total employment and turn- er.

The Retirement System is financed by nployee contributions at the rate of % from the first $4800 the member rned during a calendar year, and 5% excess of that amount. The State atches each $1 put in the fund by em- oyees up to age 65.

Members may withdraw their credits the Retirement System if they volun- rily leave service with the State. This y be done after 90 days from date of paration. If a person is dismissed for ny reason, refunds must be made within ne week after member's application for e refund, and after his final contribu- on to the fund has been received by the etirement System.

At present there is no compulsory re- rement age, insofar as the Retirement ystem is concerned. The only proviso that the member's superior write stat- g that the employee is needed, is in ood health, and able to satisfactorily do s work after age 65. The State does ot match his contributions, after he has ached the retirement age of 65.

This is a rather light handling of the mplex operations of the Retirement ystem. In order to give you a chance to o as deep as you like into the opera- ons, the BASIC MANUAL OF COOR- INATED RETIREMENT AND SO- IAL SECURITY follows.

own at a baakkeeping machine is Miss Lillian Allen.

Basic Facts of the Coordinated Program of Retirement and Social Security for Teachers and Other Employees of the State of North Carolina October 1, 1960

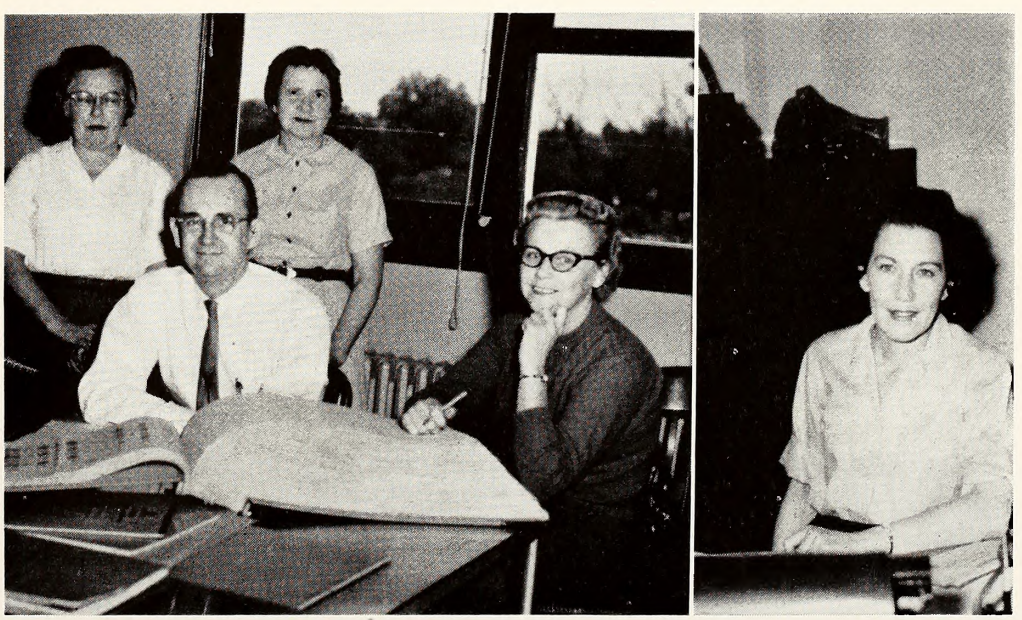
It is not practical to cover every kind of situation and answer every question that members of the Retirement System may have in an article like this without its becoming too lengthy. Also, changes may occur with each session of the State Legislature and each session of Congress which will necessitate revisions in such an article.

LOCATION OF OFFICES

Retirement System Offices—The combined offices of the Teachers' and State Employees' Retirement System of North Carolina and the North Carolina Public Employees' Social Security Agency are located on the fourth floor of the Caswell Building, at the corner of Jones and McDowell Streets, Raleigh, North Carolina —Telephone, TEmple 4-3611, Extension 675. When a member has an unusual problem or is in doubt about his State

Pausing in their wark lang enaugh far a quick phatagraph are Mrs. Helen J. Stewart and Robert V. Brawn.

Seated is Mrs. Lattie H. Whitacre, Unit Supervisar; Standing, L. ta R.: Mrs. Lelia D. Humphrey, Mrs. Thelma Updegraff, Mrs. Frances Smith, Mrs. Gladys H. Davis, Mrs. D. Lauise Langley, Mrs. Mary Minges, and Mrs. Lelie J. Russell.



Left ta right are: Mrs. Edna J. Gardan, Unit Supervisar W. Scott Smith, Miss Margaret Sears, and Mrs. Aramenta G. Brawn. Right panel shaws Miss Nadine Hintan.

retirement he should come by the above office, call the above telephone number, or write to:

Nathan H. Yelton, Executive Secretary
Teachers' and State Employees' Retirement
System of North Carolina
P. O. Box 2629
Raleigh, North Carolina

The inquiry will be given prompt and courteous attention.

Federal Social Security District Offices—Offices of the Federal Social Security Administration are located throughout the State. When a member has an unusual problem or is in doubt about social security benefits, he should contact the nearest district office. The people there will be glad to help you and answer your questions. A list of these offices appears on page 115 of this publication. Questions with respect to reporting of wages and contributions should be directed to your employer or to this office.

THE COMBINED PROGRAM

Because of an agreement between the State Agency and the Federal Government and because a majority of Retirement System members voted in favor of a coordinated program in a special referendum held on October 26, 1955, most employees and teachers of the State were brought under Federal social security, retroactive to January 1, 1955.

This agreement does not affect the function of the Retirement System in that employees of the State departments and agencies working on a full time basis, and teachers and employees of the State-supported public school system and educational institutions working on a full time basis, are required to become members of the Retirement System if they entered the service on or after July 1, 1941. There are only two exceptions to this rule:

(1) Those employees who enter service after having attained the age of sixty (60) are not eligible for membership; and,

(2) Law enforcement officers, as defined in subsection (M) of Chapter 143-166 of the General Statutes may, within 15 days after employment, elect to become members of the Law Enforcement Officers' Benefit and Retirement Fund or this Retirement System. This group includes the positions of State employees, as follows: prison wardens and deputy wardens, prison camp superintendents, prison stewards, prison foremen and guards, highway patrolmen, and all other officers of the State who are clothed with the power of arrest and whose duties are primarily in enforcing the criminal laws of the State.

L. to R.: Miss Mary Laura Pierce, Mrs. Marie H. House, Mrs. Joyce S. Humphries, and Miss Stell R. Stuo

The social security agreement does not affect a member's credit for service prior to January 1, 1955. However, the rate of State retirement contributions was reduced and social security tax was added retroactive to January 1, 1955.

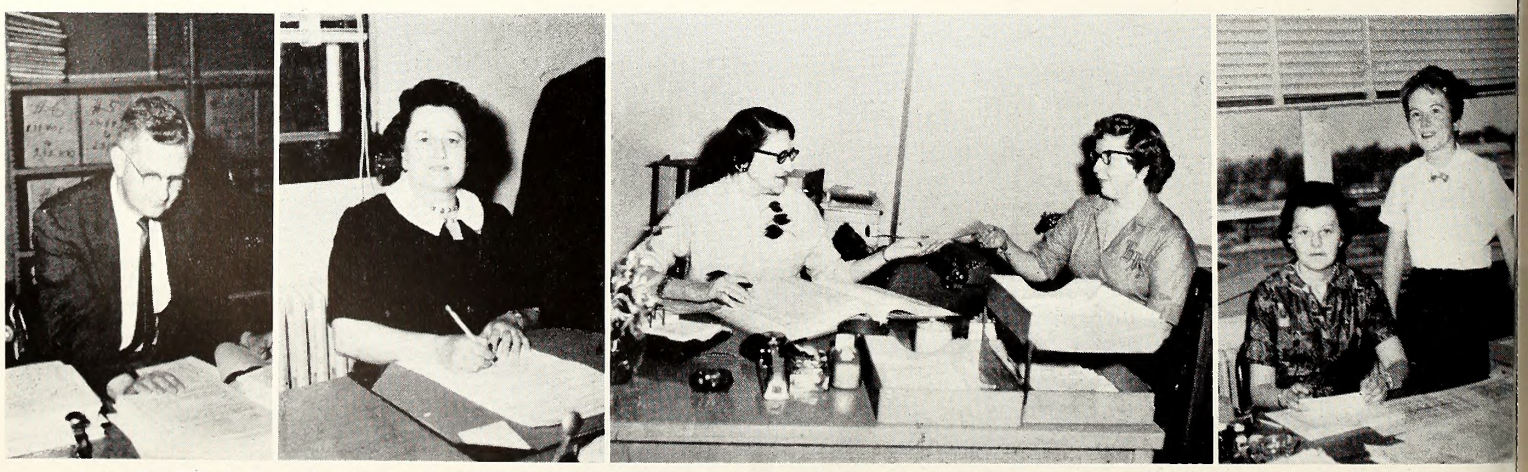
PAYMENT OF STATE RETIREMENT CONTRIBUTIONS AND FEDERAL SOCIAL SECURITY TAX

State Retirement Contributions—Contributions are deducted from a member's gross earned salary each pay period. The employing unit sends the amount withheld to the Retirement System. These contributions are matched by the State until the member becomes age sixty-five (65). A member's money is held in a fund known as the "Annuity Savings Fund" to which four (4%) percent interest compounded annually is credited.

The Retirement System provides f contributions by each member of a ce tain percent of his salary per annu The following table shows the prese scale of retirement deductions from member's earned wages each pay perio

Calendar Years	Percentage Deducte From Salary
Before 1955	5% of contract sala
1955-1958	3% up to earned gro salary of $4200.; 5% of earned gro salary beyond $4200.

Miss Carolyn Grose and Mrs. Deotha Horton.



L. to R.: Gilbert Hay, Mrs. Minnie Ruth Ward, Miss Ida Rubenstein, Mrs. Helen D. Smith, Miss Margaret G. Stanley, and Mrs. Ruth W. Kelly.

959 and after	3% up to earned gross salary of $4800.; 5% of earned gross salary beyond $4800.

Federal Social Security—Federal social ecurity tax is deducted from a member's ross earned wages each pay period and sent to the Retirement System which cts as a collecting agency for the Federal ocial Security Administration. Every hree months a member's social security ax plus a matching amount is paid to he Federal Government. At the same me a report of a member's gross taxble earnings is sent in to be credited o his social security account.

A member's social security tax is a xed rate, depending on the calendar ear in which it is paid. The maximum mount of annual earnings taxable and redited towards benefits was increased rom $4200 to $4800, beginning January , 1959. The following table shows the resent scale of deductions from a mem-er's wages each pay period:

Calendar Years	Percent Deducted	Maximum Taxable Earnings
1955-1956	2	$4200
1957-1958	2¼	$4200
1959	2½	$4800
1960-1962	3	$4800
1963-1965	3½	$4800
1966-1968	4	$4800
1969 and after	4½	$4800

The Federal Social Security Administration urges that each wage earner request a statement of wages credited to his account once each three or four years. Wage Statement Request Form OAR-7004 is available at each Federal Social Security District Office in the State. A list of these offices can be found at the end of this bulletin. If the Statement of Wages indicates that wages have not been correctly reported, **the wage earner should first contact his employer** in order that the employer may make necessary corrections through the Retirement System.

In the event that questions with respect to coverage and reporting cannot be answered by your employer or by the Retirement System, you should contact the nearest Federal Social Security District Office. You should file your claim for social security benefits or direct questions with respect to benefits to the nearest Social Security District Office.

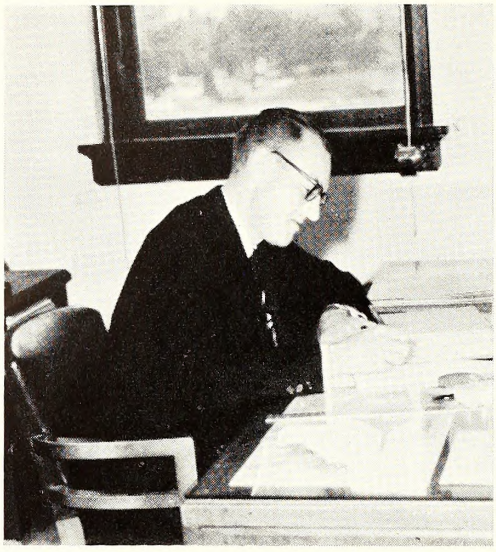
If a member has more than one employer, each employer must make the proper deduction on wages paid a member in a year. It is a good policy for a member to keep a record of all wages paid by each employer. If a member pays social security tax on total wages of more than the maximum amount of an

Mrs. Carolyn Hinton checks the morning mail before taking it in to the Executive Secretary.

L. to R.: Double checking work are Mrs. Clara McKinney, Mrs. Martha P. Shuffler and J. Y. Brassfield. Second panel shows Martha A. Lineberger and Mrs. Anna M. Stephens.

Shown at key punch machines are Mrs. Mary F. Austin, Mrs. Mary Moss, Mrs. Helen P. Young, Mrs Shirley Martin, and Miss Margaret F. Langley.

N. Harold Cox, Internal Auditor.



W. H. Hambleton, Chief Accountant

V. D. Makepeace

nual earnings taxable due to having more than one employer, he may claim excess tax as credit on his income tax for the year.

RETURN OF STATE RETIREMENT CONTRIBUTIONS

In the event a member leaves State service by reason of resignation or dismissal, the full amount of his contributions to the Retirement System only, plus at least half of his interest credits, will be returned to him upon his request. **Social security is a tax deduction and will not be returned to a person upon separation from State service but will remain to his credit with the Federal Government.**

Teachers are considered to be under contract for a twelve month period even though they do not expect to teach during the summer months. For that reason, resignation at one school in the spring and appointment to another in the fall does not constitute a break in service and is not a basis for withdrawal of accumulated contributions to the Retirement System.

Application Form Required—When requesting refund of State retirement accumulations, a **Form 5** (Application of Members for Return of Accumulated Contributions) must be sent in to the Retirement System. The Retirement System, on receiving a properly executed **Form 5**, as a rule, will pay the refund within ninety (90) days. **However, under no condition can a refund be made until his last contribution is received and posted to his account.**

Refunds are final—When a refund is made, all credit for previous service is forfeited and all accumulated contributions are returned. **No partial refunds are permitted.** If the individual later returns to State service, he returns as a new member of the Retirement System.

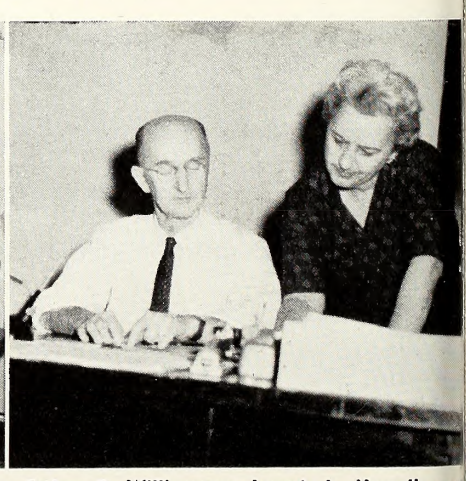
A refund check may be made payable to the member only. A person's retirement account is unassignable and exempt from garnishment except in a case of overpayment of salary by the employer. A member's accumulated contributions cannot be used as collateral.

INACTIVE ACCOUNTS IN THE RETIREMENT SYSTEM

If a member is absent from service more than five years in any consecutive six year period, he shall cease to be a member. In such a case, the retirement account is considered closed and no further interest credits are allowed. The former member should apply for a re fund, using **Form 5** (Application o Members for Return of Accumulate Contributions), as promptly as possible There is only one exception to this rule If the inactive member has rendered a least twenty (20) years of creditabl

L. to R.: Mrs. Mary C. Anderson, Mrs. Libert O'Neal Strock, and Miss Pattie H. Loftin.

Mrs. Ann B. Meekins, Mrs. Billie G. Hurt, an Mrs. Della Mitchell.



L. to R.: John P. Hollis, Administrative Assistant, Mrs. Esther C. Williamsan, Joseph L. Harrell, an Mrs. Darathy M. Rogers.

ervice, his membership continues and terest credits are allowed.

CHANGE OF BENEFICIARY FOR STATE RETIREMENT PURPOSES

A member may change his beneficiary y filing a Form 2a (Change in Beneiary) with the Retirement System at ny time he desires to do so prior to ccepting retirement benefits. After a ember retires, he is not allowed to hange his beneficiary except in case he ects to receive benefits under Option 1 see Option 1, Page 114). This does not pply to social security benefits since uch beneficiaries are determined by ederal Law.

NAME CHANGE

When a member's name changes or hen any other information should be rrected, a Form **OAAN-7003** (Request r Change in Your Social Security Recds) should be completed and filed with ne nearest District Office of the Fedal Social Security Administration. Also, ne member must notify his employing nit of a name change in order that otice may be filed with the Retirement ystem on a **Form 125** (Report on New lembers and Payroll Changes). This is nportant because the **name of the emloyee or teacher must appear on the nit payroll exactly as it is recorded on is social security card to assure credit r social security and State retirement ayments.**

TAXABILITY OF BENEFIT ALLOWANCES

The North Carolina Statutes do not equire that a retired member report enefits from the Teachers' and State mployees' Retirement System of North arolina to the North Carolina Departent of Revenue. Income from pensions nd annuities is reportable and if total arnings are sufficient it will be necesary to pay tax to the Federal Governent. A person retiring under age sixty-ve (65) would have to file a return if is total income is in excess of $600. If e has attained the age of sixty-five 65), he has a $1,200 personal exemption. Until the member has recovered the otal amount withheld from his earnings ver the years, he will not pay tax on hat part of his total earnings derived rom pension and annuities. In most cases his will be recovered within a three ear period so that Part 2 of Schedule E, 'ederal Income Tax Form 1040, will be sed for reporting income from retirement. A statement of the amount of your wn contributions (annuity) will be furished on our Form 119, Notice of Retirement, which come with your first retirement check.

STATE RETIREMENT BENEFITS

Creditable Service—Service in the Retirement System is divided into two different kinds:

(1) **Prior Service**—This is all service with the State to which a member is entitled, before July 1, 1941, (the date the Retirement System was established). All such service must be certified by the employing unit for time claimed on a **Form 4** (Certificate of Service Claim). Each person who became a member prior to July 1, 1946, and held a regular position as a teacher or State employee at any time between July 1, 1936, and July 1, 1941, is entitled to credit for service prior to July 1, 1941. Certificates of prior service claims should have been filed with the Retirement System with the member's enrollemnt blank **(Form 2)**. If this was not done, a Form 4 should be executed immediately to assure prior service credit under the Retirement Act. While a member could not have made contributions to the Retirement System prior to July 1, 1941, the State assumes full responsibility for making such contributions.

(2) **Membership Service**—This means all service for which a member receives credit by reason of his retirement contributions since July 1, 1941. In the case of members who are employed for the first time after July 1, 1941, all service is membership service. **North Carolina does not allow credit for out-of-state service or service accrued with private employment.** Neither are accumulated contributions to the North Carolina State Retirement System transferable to any other retirement plan. A member who transfers directly to service of a unit of the N. C. Local Governmental Employees' Retirement System may keep his account active while employed by the latter employer by notifying this Retirement System in writing of such transfer of employment.

Time for Filing—A member with less than twenty (20) years of creditable service must file application while in service. A member with twenty (20) or more years of creditable service is eligible for retirement upon attainment of age sixty (60) regardless of whether he is on the payroll at age sixty (60); provided such application shall be filed within twelve months after his sixtieth birthday. A member retiring after thirty (30) years of service must file application within sixty (60) days following the date of separation in order to receive benefits prior to age sixty (60).

Effective Date of Payment—The effective date of all retirement allowances must be the first day of some calendar month. Therefore, if an application for service retirement is filed on the second or any other day after the first day of a calendar month, the effective date of retirement cannot be the first day of the following month. For example; An application for service retirement filed August 5 could not become effective before October 1.

Determination of Retirement Payments—The retirement allowance of each member is calculated for him on the basis of a number of different factors. The final calculations are made by an independent actuary who is familiar with the technical details and who certified the results to the System. The calculations are based on the following factors: (1) Sex of the retiring member; (2) Occupation of the retiring member; (3) Amount of service rendered to the State; (4) Salary paid during service; and (5) Age at retirement.

The calculations are technical because of the factors involved. Therefore, the Retirement System will be glad to make estimates for a member who is close to retirement so that he might make a decision. Since a majority of applications for retirement are received and processed in the period from April 1 to September 1, it is suggested that requests for estimates be made early and only emergency ones made between April and September.

Service Retirement—Any member in service who has attained age sixty (60) may retire upon written application (Form 6, Application For Service Retirement) to the Retirement System. Effective July 1, 1960, an amendment to the Retirement Act provides that any member will be retired on July 1, following his 65th birthday. However, any member may continue in service beyond that age, provided that it is requested by his employer that he be retained on a yearly basis and that each such request is approved by the Board of Trustees of the Retirement System. The 1959 General Assembly rewrote paragraph (2) of subsection (a) of G. S. 135-5 as follows:

> "(2) Effective July 1, 1960, any member in service shall automatically be retired as of July 1, 1960, if he has then attained the age of sixty-five years, otherwise as of the subsequent July first coincident with or next following his sixty-fifth birthday: Provided that upon the recommendation of his employer, made on such form and under such conditions as the board of trustees may require, and with the approval of the board of trustees any such member may continue in service for one additional year following each such annual recommendation and approval".

Deferred Allowance After 20 Years of Creditable Service—Any member who separates from service prior to age 60 after completing 20 or more years of creditable service and who leaves his total accumulated contributions in the System, may receive a retirement benefit on the basis of his creditable service and contributions to the date of separation. He must file application **(Form 6,** Application for Service Retirement) for this allowance within one year after his 60th birthday. Retirement benefits cannot be paid retroactively.

Early Retirement Allowance After 30 Years of Service—A member leaving service before age 60 after 30 or more years of creditable service has the privilege of receiving an early retirement allowance beginning immediately, provided he files his application **(Form 6,** Application For Service Retirement) within 60 days following his separation from service.

Disability Retirement—Any member who becomes mentally or physically incapacitated for the further performance of duty, if the incapacity is likely to be permanent, may be retired on a disability allowance provided he has ten or more years of creditable service with the State. All requests for disability retirement must have the approval of the Retirement System Medical Board. Application for disability retirement (Form 7, Application For Disability Retirement) must be filed while the member is still in service or under contract, in the case of teachers. If a member is retired for disability, the Retirement System may require the member to submit a medical report from time to time. No examinations are required by the Retirement System after age 60. If a member is retired for disability and thereafter regains his earning capacity in full or in part, his disability pension is subject to modification. If he is restored to active service at a salary less than his average salary for the five years before disability, he does not become an active member of the Retirement System; and he makes no contributions to the System. If he is restored to active service before age 60 at a salary which is not less than such average, he again becomes an active member and must again contribute to the System.

Special Privileges At Retirement—A person may elect to receive his benefits under the maximum plan of retirement. Such retirement is payable throughout life to the retired member in monthly installments. This plan provides an allowance greater than that provided under Options I, II, and III; however, all payments cease at the death of the member. In lieu of the full retirement allowance, any member may, at retirement, elect to receive a reduced retirement allowance with the provision that:

Option I—In case of death of the member before his annuity payments have equalled the present value of his annuity at the date of retirement, the balance shall be paid to his estate, or to a person designated by the member, or

Option II—At death of the member his allowance shall be continued throughout the life of such other person as the member shall have designated at the time of his retirement, or

Option III—At death of the member one-half of his allowance shall be continued throughout the life of such other person as the member shall have designated at the time of his retirement, or

Option IV—A member may elect to receive a greater monthly allowance until age 65 in case of a man or age 62 in case of a woman, at which time social security benefits will be payable from the Social Security Administration and the allowance from the Retirement System would then be reduced. A member who makes an election in accordance with this paragraph shall be deemed to have made a further election of Option I.

Selection of Option After Filing Retirement Form—A member may change his selection of an option at any time until the first payment of his benefit becomes normally due by filling in the section applicable on a retirement form (page 3 of **Form 6**, Application For Service Retirement or **Form 7**, Application For Disability Retirement).

Selection of Option At Age 65—In the event that a member continues in service beyond age 65, he may select an option in order to provide a life income for his beneficiary if he should die prior to retirement. Such option will be in effect if the member is living thirty (30) days after it is executed. Benefits will be paid under that option upon the death of the member or upon his retirement. Thirty (30) days after it is executed it is binding on the member and the Retirement System unless the designated beneficiary dies prior to retirement of the member.

Death Claims—If a member dies before retirement, the full amount of his contributions plus accumulated interest, **less social security tax**, will be paid to his estate or to the beneficiary designated by the member. Benefits after death of a retired member depend on the plan of retirement selected.

SOCIAL SECURITY BENEFITS

The following information is to be used only as a guide. The nearest Federal Social Security District Office should be contacted for specific data relative to each individual case concerning social security benefits.

How To Qualify—To qualify for monthly payments when a person reaches retirement age and retires or to make payments possible for his survivors in case of death, he mut have been in work covered by the social security law long enough to be "insured". A person may be either "fully insured" or "currently insured" or both, depending on the amount of covered work to his credit and on how much of it was done in the three years before he qualifies for payments or before his death. When a woman reaches 62 or a man 65 and is fully insured, he or she is eligible for social security payments. If a person has earned not less than $50 in each of a certain number of "calendar quarters" he may qualify for benefits. A "calendar quarter" is a three-month period beginning January 1, April 1, July 1, and October 1. He does not fully qualify for benefits, as a general rule, unless his total number of "quarters" is one-third the "quarters" between January 1, 1951, or attainment of his 21st birthday, whichever is later, and the year he attains retirement age. Six "quarters" are minimum. Forty "quarters"—ten years—gives him full coverage. If a person does not have enough "quarters" to his credit by retirement age, he can keep working until he gets as many as needs. The following table shows "quarters" of coverage a person will ne to be fully insured on reaching reti ment age (62 for women, 65 for me

Year Retirement Age Reached	Quarters of Coverage Need
1956 or earlier	6
1957	8
1958	9
1959	10
1960	12
1961	13
1962	14
1963	16
1964	17
1965	18
1966	20
1967	21
1968	22
1969	24
1970	25
1971	26
1972	28
1973	29
1974	30
1975	32
1976	33
1977	34
1978	36
1979	37
1980	38
1981 or later	40

For certain kinds of benefits to be p able, it is necessary that the insu person be both fully and currently sured. A special provision in the law m it possible for a State employee to come fully insured by mid-1956, if had reached retirement age. If such person remains in the employ of State, he will continue to be fully ins ed. In any case, after a person ha total of ten (10) years of work under law he is fully insured for life.

Disability Benefits Under Social curity—If a member becomes so sever disabled that he is unable to do any s stantially gainful work, he may be gible to receive monthly disability ins ance benefits. To qualify for disabi under social security he must have twe (20) quarters of coverage in the fo (40) calendar quarters immediately p to onset of disability.

Social Security Benefits After Deat If at death a person is either fully currently insured, his survivors may entitled to benefit payments. Some m bers of his family or the administra of the estate should inquire promptly the nearest Social Security District fice.

What Social Security Pays— amount of the monthly old-age insura payments after a person reaches ret ment age will depend on his aver earnings in work covered by social se ity, Total payments depend on f things: the person's earnings, the n ber of dependents, the age of each m ber of the family, and whether the p son is fully and/or currently covered

Application For Social Security Bene-
;—The wage earner or survivor should
: claim for social security benefits with
: nearest Federal Social Security Dis-
ct Office; or, if the district office is not
the wage earner's or survivor's home
wn, the Postmaster may be consulted
to when a social security representa-
e will be in the area. One of the fol-
ving Federal Social Security District
fices should be contacted:

District Offices

sheville, AL 3-0466, 40 N. French Broad Ave.
harlotte, FR 7-2686, 331 N. Tryon St.
urham, 8-2228, 1433 Broad St.
ayetteville, HE 3-3668, 150 Rowan St.
astonia, UN 7-7236, 365 W. Main Ave.
reensboro, BR 5-7659, 1810 Pembroke Ave.
ickory, DI 5-4186, 216 2nd St., N. W.
igh Point, 3916, 118 W. Russell St.
ew Bern, ME 7-4263, 308 New St.
aleigh, VA 8-2531, 1122 Hillsboro St.
ocky Mount, GI 6-4145, 226 Hill St.
alisbury, ME 3-4512, 105 Corriher Ave.
ilmington, RO 2-2625, 14 S. 16th St.
inston-Salem, PA 4-0504, 651 W. Fifth St.
orfolk, Va., MA 7-6436, 220 Brambleton Ave.

CONCLUSION

The combined program of State retirement and Federal social security is rather complicated and difficult for many members to understand at a glance. It is hoped that this bulletin will be of some assistance to each person who reads it in helping him to better understand the purpose of the plan and how it works.

It was never intended that State retirement benefits would meet all the needs of a retired member but only that they would be a supplement to what he has saved over his period of service, thus adding some additional income at a time when he is no longer employed.

Similarly, social security benefits are designed only as the base upon which a person should build his personal plans of protection and security. Even though benefits have substantially improved since social security began, few persons today could live on their social security income alone, nor will social security survivors' benefits do the entire job of providing for a person's family if he dies.

However, the combined benefits of State retirement and Federal social security can provide the cost of maintaining a modest but adequate living during the later years. Any personal thrift program, including insurance, savings and investments, combined with State retirement and social security benefits, could well mean the difference between the things a retired person needs and a few of the modest luxuries he and his family might want.

The members of the Retirement System may rest assured that we are striving at all times to be of assistance to our members and to administer a retirement plan that is actually sound and one that the members may be justly proud of now and in the future.

Nathan H. Yelton
Executive Secretary
Teachers' and State Employees'
Retirement System of North Carolina

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Local Govt. Employees' Retirement System Includes Units From All-Sized-Group

The North Carolina Local Governmental Employees' Retirement System is now sixteen years of age and was established by an Act of the Legislature in 1945.

Generally speaking, employees of all cities, towns and counties of the State are eligible for membership except the City of Wilmington and the County of New Hanover. Employees of the various governments are admitted in "units" and approximately 12,500 people representing 130 units throughout the State are members. Probably ten more units will be added at the beginning of the calendar quarter, July 1, this year.

Units may be composed of employees of cities, towns, and/or counties; electric light commissions; city and/or county libraries; city and/or county health department; county and/or city ABC Boards; housing authorities, airport authorities; and welfare departments.

Set up in 1945 there have been 771 receiving retirement payments, of these 167 have deceased. Those left are receiving an average of about $58 per month, with the highest amount being $363. This amounts in most cases, are paid in addition to the monies received from Social Security benefits. (Some members are exempted from SS—Extension service agents & his asst. agents).

Benefits paid are based on beginning age of retiree when he came under the system; prior service (before the unit came under the Retirement System); sex, (a man's benefits are greater than a woman's because the woman has an eight-year greater life expectancy than the man); the age at retirement is also considered when individual retirement benefits are computed.

Units come under the System by a vote of all employees in the unit. If as many as 60% of the group vote to come under the System, then the unit may join the program, however, it is not compulsory for all eligible members to become members of the System. If they were employed prior to date participation began, they may sign a non-election blank at any time within 90 days after participation entry date to the effect that they do not wish to become members. All persons employed after the unit comes into the Retirement System are required by law to become members; provided, they are not 60 or more years of age.

Units which have joined the System range in size from the largest, Charlotte, to East Spencer, with three members, and the N. C. Association of County Commissioners with two.

Classifications of member units are all "general" with the exception of Group 4 members, these include policemen, firemen, and law enforcement officers. Actuaries figure their life expectancy is not so great as other classes, so they may retire at 55 years of age instead of the usual 60-year-age for men.

To show the advantages of members who wish to retire with benefits we are listing some of the records of people who have retired within the last couple of years and whose employers have become participating units within the last three years. Various options mentioned are explained in the series of questions and answers which follow. These questions

L. to R.: Miss Alice Wester and Mrs. Nellie P. Strother of the Local Governmental Employees' Retirement System.

are the ones asked most by members who write the Retirement System.

QUESTIONS AND ANSWERS

1. Q. Who is eligible for membership in the North Carolina Local Governmental Employees' Retirement System?

   A. All persons who are permanent and full-time employees of a participating unit and who are employed on date of participation of employer and who have rendered service prior to becoming 60 years of age, and all persons under 60 years of age employed by the unit after date of participation. **Employees without benefit of service prior to age 60 are not eligible to become members of the Retirement System at any time.**

2. Q. Must all persons, eligible for membership, become members of the Retirement System on date of participation?

   A. No. Any eligible person who is employed prior to date of participation by the unit may sign a Non-Election blank any time within 90 days after date of participation to the effect that he or she does not choose to become a member, but at le 60 per cent of the permane and full-time employees mu elect to become members bef the unit can participate. All p sons employed after the u comes into the Retirement Sy tem are required by law to b come members; provided, th are not 60 years of age.

3. Q. If an employee, who is a n member, by virtue of havi signed a Non-Election bla separates from service, is he quired, if he re-enters service, become a member of the Reti ment System?

   A. Yes, if he is under 60 years age.

4. Q. When does a person cease to a member and thereby forf his prior service credit and be fits provided by his employe contributions made in his half?

   A. When the member withdra from service, or remains out service for 5 years in any year period.

5. Q. How are the benefits for me bers financed?

   A. The benefits are financed joint contributions of membe and their employers. Each me ber will contribute 3 per ce effective January 1, 1960, of salary on the first of $4800 each calendar year, the memb will be credited with 3 per ce retirement deductions up to $48 a calendar year and 5 per cent all salaries over $4800 in a c endar year for retirement pu poses.

6. Q. How is the North Carolina Loc Governmental Employees' Reti ment System administered?

   A. Responsibility for the proper o eration of the North Caroli Local Governmental Employe Retirement System is vetsed a Board of Trustees, consisti of the Board of Trustees of t Teachers' and State Employe Retirement System and two oth persons apopinted by the Gov nor, one of whom is to be t employee of a participating ci or town, and one to be an e ployee of a participating coun Management of funds is vest in the Board of Trustees. Fun not needed for normal operatio are invested by the office of t State Treasurer. Bank deposi are guaranteed in the same ma ner as other State funds.

7. Q. Why should I become a memb of the Retirement System?

   A. In addition to retirement ben

fits at retirement age, the Retirement Act provides disability benefits to members who have 10 or more years of creditable service and who become totally disabled, whether in line of duty or not, and have not reached the required age of retirement. While disability benefits, in many cases, will not be sufficient to meet the necessary expenses, the monthly payments will provide some income.

Membership in the Retirement System provides some benefits for a member's dependent. A retiring member may provide protection for a dependent by accepting a monthly retirement allowance lesser than the regular allowance, with a provision that a stipulated amount will be continued and paid to the dependent for the remainder of his or her life if the dependent survives him. The Retirement Act affords protection, to some extent, against the risk that dependents be left penniless as a result of the member's death before retirement. Should a member in the Retirement System die before retirement, his accumulated contributions, plus interest, will be paid to his designated beneficiary or estate.

Q. What is prior service? Who is entitled to prior service?

A. Prior service is service rendered as an employee prior to date of participation by employer.

Any employee who was employed at any time during the year immediately preceding the date of participation of his employer, and who becomes a member during the first year thereafter, is entitled to receive credit for all service rendered by him to his employer prior to date of participation by his employer.

Q. May a member's accumulated contributions be withdrawn while in service of a participating unit of the Retirement System, or upon separation from service?

A. No member of the Retirement System may receive a refund of his accumulated contributions while employed by a participating unit.

Any member of the Retirement System who separates from the service of a participating unit may receive a refund of his accumulated contributions, plus interest. Refunds are made 90 days after the effective date of resignation.

Q. Does a member lose credit for total service if he separates from service and re-enters service at a later date?

A. Not unless the member remains out of service for a period longer

EXAMPLES OF MONTHLY RETIREMENT ALLOWANCES—CLASS "C" MEMBERS

MALE: General Employee. Age 63 on date of retirement, 7-1-59
Average Annual Salary 5 yrs. prior to date of participation $3,124.35
Monthly salary at time of retirement $264.00
Membership service ..... 0 years, 4 months
Prior service ..... 22 years, 4 months
Total Service ..... 22 years, 8 months
Amount paid into Retirement System ..... $ 31.68
Monthly retirement allowance under Maximum allow .. $ 64.94

MALE: General Employee. Age 65 on date of retirement, 10-1-59
Average Annual Salary 5 yrs. prior to date of participation $3,206.83
Monthly salary at time of retirement $265.98
Membership service ..... 0 years, 6 months
Prior service ..... 36 years, 7 months
Total service ..... 37 years, 1 month
Amount paid into Retirement System ..... $ 47.41
Monthly retirement allowance under **OPTION 3** ..... $105.62 (wife ½)
(Maximum allowance $139.68 a mo.)

MALE: General Employee. Age 66 on date of retirement, 3-1-60
Average Annual Salary 5 yrs. prior to date of participation $3,822.00
Monthly salary at time of retirement $345.00
Membership service ..... 1 year, 2 months
Prior service ..... 22 years, 9 months
Total Service ..... 22 years, 11 months
Amount paid into Retirement System $142.27
Monthly retirement allowance under Maximum allow .. $ 85.47

MALE: General Employee. Age 65½ on date of retirement, 4-1-60
Average Annual Salary 5 yrs. prior to date of participation $3,458.09
Monthly salary at time of retirement $330.00
Membership service ..... 1 year, 3 months
Prior service, ... 30 years, 7 months
Total service ..... 31 years, 10 months
Amount paid into Retirement System $146.02
Monthly retirement allowance under Maximum allow .. $121.33

MALE: General Employee. Age 65 on date of retirement, 7-1-60
Average Annual salary 5 yrs. prior to date of participation $3,488.00
Monthly salary at time of retirement $300.00
Membership service ..... 0 years, 3 months
Prior service ..... 23 years, 7 months
Total service ..... 23 years, 10 months
Amount paid into Retirement System ..... $ 27.00
Monthly retirement allowance under **OPTION 2** .... $ 52.05 (wife)
(Maximum monthly allowance $85.62)

MALE: General Employee. Age 58½ on date of retirement, 8-1-60
Average annual salary 5 yrs. prior to date of participation $3,018.58
Monthly salary at time of retirement $261.00
Membership service ..... 1 year, 4 months
Prior service ..... 35 years, 9 months
Total service ..... 37 years, 1 month
Amount paid into Retirement System $150.09
Monthly retirement allowance under maximum ..... $ 94.76
(EARLY RETIREMENT)

MALE: Deputy Sheriff. Age 65 on date of retirement, 8-1-60
Average annual salary 5 yrs. prior to date of participation $3,390.00
Monthly salary at time of retirement $300.00
Membership service ..... 0 years, 9 months
Prior service ..... 15 years, 3 months
Total service ..... 16 years
Amount paid into Retirement System ..... $ 81.00
Monthly retirement allowance under **OPTION 1** ..... $ 52.78
(Maximum $52.98 a month)

FEMALE: General Employee. Age 68 on date of retirement, 1-1-61
Average annual salary 5 yrs. prior to date of participation ... $5,736.00
Monthly salary at time of retirement $500.00
Membership service ..... 1 year, 0 months
Prior service ..... 31 years, 0 months
Total service ..... 32 years
Amount paid into Retirement System $204.00
Monthly retirement allowance under maximum $154.32

MALE: General Employee. Age 70 on date of retirement
Average annual salary 5 yrs. prior to date of participation $4,700
Monthly salary at time of retirement $466.665

Membership service	1 year, 5 months	
Prior service	36 years, 7 months	
Total service	38 years	
Amount paid into Retirement System		$259.52
Monthly retirement allowance under maximum		$168.51

FEMALE: General Employee. Age 72 on date of retirement

Average annual salary 5 yrs. prior to date of participation		$3,708.00
Monthly salary at time of retirement		$320.00
Membership service,	0 years, 3 months	
Prior service	27 years, 1 month	
Total service	27 years, 4 months	
Amount paid into Retirement System		$ 24.46
Monthly retirement allowance under maximum		$ 58.48

than 5 years, or withdraws his accumulated contributions.

11. Q. Is a member required to have any definite period of service, as well as be of retirement age, to be eligible for service retirement?
    A. No. A definite period of service is not required, but length of service is one of the factors involved in calculating a member's benefits. This is taken into account because it is fair to grant a higher retirement allowance to members who have rendered long periods of service, and smaller allowances to members who have rendered little serivce.
12. Q. If a member remains in service after he becomes 65 years of age, will his benefits increase?
    A. Yes. The Retirement Act provides that the annuity will be increased, the increase reflects the additional interest earned, the contributions made after age 65, and the shorter time over which the member will receive his annuity.
13. Q. What are the service retirement benefits payable?
    A. A retirement allowance payable in monthly installments, consisting of an annuity which shall be the actuarial equivalent of his accumulated contributions at the time of his retirement; and a pension equal to the annuity allowance at the age of 65 years or at the actual age at retirement if prior thereto, computed on the basis of contributions made prior to the attainment of age 65; and if he has a prior service certificate in full force and effect, an additional pension provided by twice the amount which a member would have contributed had the System been in operation during the period of service rendered prior to date of participation by the unit. The pensions referred to are provided by the matching contributions on the part of the employers.
    A general employee after completing 20 or more years of creditable service, who leaves his total accumulated contributions in the Retirement System, shall have the right to retire on a deferred retirement allowance upon the date he shall have attained the age of 60 years, or if a uniformed fireman or policeman upon the date he shall have become 55 years of age.
    Any member after completing 30 or more years of creditable service who leaves his total accumulated contributions in the Retirement System, may elect to retire on an early retirement allowance regardless of age.
14. Q. Does a member have the privilege of selecting between several plans of retirement at time of retirement?
    A. Yes. There are five plans of retirement from which a member may choose; namely, regular or maximum allowance, Options 1, 2, and 3, and level income plan. Explanations of the plans are as follows:
    Regular or Maximum Allowance. Under the regular or maximum allowance, all benefits cease at death. Should you elect to receive your retirement allowance under this plan and die after you have received and cashed your first check, the unused portion of your annuity would revert to the Retirement System; there is no beneficiary under this plan.
    OPTION 1. If a member elects to receive his retirement benefits under Option 1 and dies before he has received in annuity payments the present value of his annuity as it was at the time of his retirement, the balance shall be paid to his legal representative or to such person as he shall nominate by written designation, duly acknowledged and filed with the Board of Trustees.
    OPTION 2. If a member elects to receive his retirement benefits under Option 2 and his designated beneficiary survives him, his reduced retirement allowance shall be continued throughout the life of and paid to such person as he shall nominate by written designation, duly acknowledged and filed with the Board of Trustees at the time of his retirement.
    OPTION 3. If a member elec to receive his retirement ben fits under Option 3 and his desi nated beneficiary survives hi one-half of his reduced retir ment allowance shall be conti ued throughout the life of a paid to such person as he sh nominate by written designatic duly acknowledged and filed wi the Board of Trustees at t time of his retirement.
    LEVEL INCOME PLAN. Tl option will be available only the member is fully insured u der Social Security. Under t level income plan, a member m elect to receive a greater mont ly allowance to age 65 and a r duced allowance thereafter. T effect will be to provide a le income because Social Securi benefits tend to compensate f the reduced allowance from t Retirement System at age 65. member who retires under tl plan shall be deemed to ha made a further election of O tion 1 above.
    Under all plans of retirement t member must live 30 days aft the effective date of retireme for his retirement to become fective.
15. Q. What benefits are payable up the death of a member in acti service?
    A. The amount of the accumulat contributions, plus intere standing to the credit of t member's account, is paid to estate or to such person as shall have nominated by writt designation, duly executed a filed with the Board of Truste of the Retirement System.
16. Q. Does the Retirement Act provi for accidental death benefits?
    A. No. There is no provision for cidental death benefit, other th the return of the member's cumulated contributions, plus terest, to the designated be ficiary or estate.
17. Q. May a member select his plan retirement at any time he sires?
    A. Yes, if he is 65 years of age over.
18. Q. May a member withdraw his cumulated contributions upon tirement if he does not desire receive a monthly retirement lowance? If a member recei a lump sum payment of his c tributions, plus interest, up retirement, will he receive a fund of his employer's matchi contributions?
    A. If, upon retirement, a mem desires a lump sum payment his accumulated contributio plus interest, rather than rece a monthly retirement allowar

the total amount standing to his credit in the Retirement System will be refunded to him upon receipt of his final contribution.

In no case, upon withdrawal, is the employer's matching contributions remain in the Retirement System to the credit of the employer to assist in the liquidation of the prior service liability for which he is liable.

Q. Can the Retirement System estimate the approximate monthly retirement allowance a member would be entitled to receive upon retirement?

A. Not unless the member is near retirement age. There are many factors involved in making an estimate of a member's retirement allowance, and a change in any one of the factors between now and date of retirement could change any estimate made at an earlier date.

Q. What provisions are made for disability retirement benefits?

A. Any member in service who has 10 or more years of creditable service may be retired by the Board of Trustees, upon application of the member or his employer; provided, the Medical Board of the Retirement System certifies that such member is mentally or physically incapacitated for the further performance of duty, that such incapacity is likely to be permanent and that such member should be retired.

Q. Must the member become disabl- in line of duty in order to be eligible for disability retirement benefits?

A. No. Ordinary causes or accidents that occur while the member is not acting within the scope of his employment do not disbar the member from disability retirement benefits.

Q. What are the disability benefits payable?

A. If the member has become 60 years of age in the case of a general employee, or age 55 for a policeman or fireman, he will be retired on a service retirement. If he has not become 60 years of age, he will receive an annuity which shall be the actuarial equivalent of his accumulated contributions at the time of his disability retirement, and a pension equal to 75 per cent of the pension that would have been payable upon service retirement at the age of 60 years, had the member continued in service to age 60 without further change in compensation, and an additional pension to members covered by Social Security to age 65.

Q. May a retired member accept part-time or temporary work with a participating unit of the Retirement System without loss of retirement benefits?

A. Yes, provided, the member **separates from service for at least one month after retirement** and does not earn more than $1200 in any one calendar year, effective with the calendar year following retirement. If a member retires at any time after the first month of a calendar year, his earnings must be prorated so as not to exceed $100.00 a month for remainder of the calendar year in which he retired. For example, should a member retire on July 1, 1959, he could return to service on a temporary or part-time basis on August 1, 1959 and earn $500 for the remainder of the calendar year of 1959, and then he could earn $1200 in any calendar year thereafter.

All members who retire and return to work on a part-time or temporary basis are urged to check with his field representative of the Social Security Administration as to the effect such earnings would have on his Social Security benefits.

If a retired member accepts full-time employment in a regular position with a participating unit of the Retirement System, his retirement allowance will be suspended, effective the first day of the first full month of re-employment in a regular position and restored effective the first day of the month following the last full month of employment in such regular position.

24. Q. Should a member write to the office of the Retirement System for information relating to the Retirement System or his membership, or should he request his employer to obtain the information?

A. The office of the Retirement System prefers that all requests for information come from the employer. In most cases the employers are able to supply answers to the questions without referral to the Retirement System.

Complete Index Will be Found on Page 115

BACHE & CO.

—Continued from page 107—

& Co. have been career men whose business life has been spent as partners of industry. Harold, native New Yorker, son of Leopold, is active pilot of the firm's destinies. In this he carries on a firm tradition.

His "schooling" in the business started as a runner. The training included operating in the rain and sleet outdoors with the old Curb Association, now the American Stock Exchange and second largest securities trading mart in the country. He was active in it when the business, prior to 1921, was transacted in the middle of Broad Street.

Commodity experience came next, in which work in New Orleans, Texas and Liverpool, England, added the vagaries of cotton and commodity businesses to his repertoire. The administrative touch has been acquired by service on the boards of virtually all the leading commodity exchanges in the country along with those of the Winnipeg Grain Exchange and the Liverpool Cotton Association.

In 1945 Harold Bache was able to secure the return of some of the elders of Wall Street's earlier days as well as to bring in that Wall Street phenomenon —"new blood"—in the form of the Ryan family of textile note and wealth. Their interest half a dozen years later was withdrawn as the partners' investments grew and replaced it.

As in its operations, the offices of Bache & Co. in the Bank of Manhattan Co.'s Wall Street skyscraper are modern and efficient. The only concessions to tradition are a private entrance at 36 Wall Street, and the half-century mahogany paneling in the office of Harold Bache which originally was imported from Santo Domingo.

Throughout its long history, the firm that has had three name changes, also has had only three headquarters locations. From its founding in 1879 at 47 Exchange Place, it moved subsequently when larger quarters were imperative to 42 Broadway in 1905. After 35 years at this location, just a short distance northeast of Manhattan's famous Bowling Green, it became necessary again to seek more space and in 1939 the firm moved to its present location.

Despite the changes of the years, one thing has remained foremost in the Bache history; its principles, on which it was founded, are still the same—a devotion to the customers, whether large or small; full factual information for the customers' guidance, not merely advice; every possible facility to handle efficiently the orders committed to execution and a well-trained staff to carry out the instructions. Bache & Co. stands proud of its time-tested role in the orderly progress of the industrial, commercial and economic life of the country.

Employment Security
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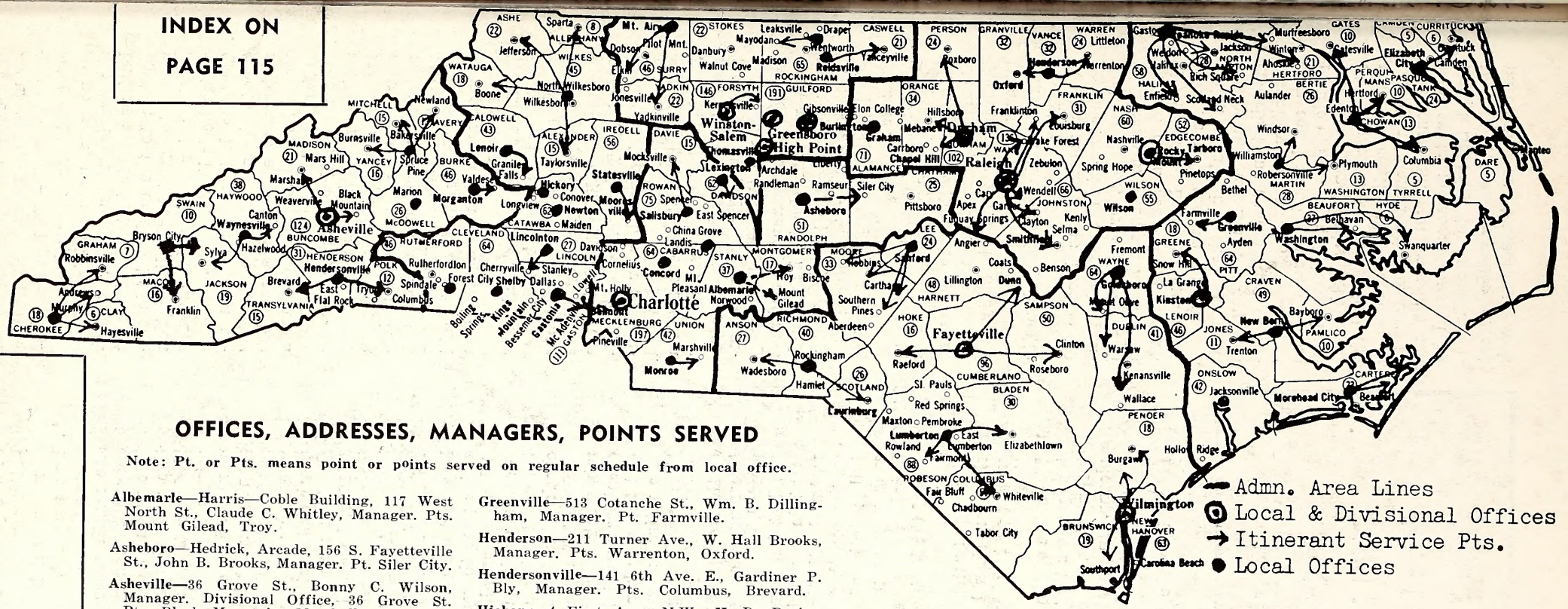

OFFICES, ADDRESSES, MANAGERS, POINTS SERVED

Note: Pt. or Pts. means point or points served on regular schedule from local office.

Albemarle—Harris—Coble Building, 117 West North St., Claude C. Whitley, Manager. Pts. Mount Gilead, Troy.

Asheboro—Hedrick, Arcade, 156 S. Fayetteville St., John B. Brooks, Manager. Pt. Siler City.

Asheville—36 Grove St., Bonny C. Wilson, Manager. Divisional Office, 36 Grove St. Pts. Black Mountain, Marshall.

Bryson City—Hyatt Building, Everett Street, Simon P. Davis, Manager. Pts. Franklin, Cherokee.

Burlington—336 W. Front St., Charles R. Stone, Manager.

Charlotte—112 W. First St., George H. Everett, Jr., Manager. Divisional Office, 118 W. First St. Pt. Cornelius.

Concord—66 Church St., Lewis B. Morton, Manager.

Durham—Morehead Building, 304 Morgan St., Louis Berini, Manager, Divisional Office, 308 Morgan St. Pts. Chapel Hill, Hillsboro, Roxboro.

Edenton—204 Citizens Bank Building, Milton E. Bass, Manager. Pts. Hertford, Columbia, Gatesville.

Elizabeth City—107 W. Ehringhous St., Norman L. Pendleton, Manager. Pts. Manteo, Buxton

Fayetteville—148 Rowan St., S. Thaddets Cherry, Manager. Divisional Office, 144 Rowan St. Pts. Dunn, Clinton, Raeford.

Forest City—104 Yarboro St., John H. Puryear, Mgr. Pt. Rotherfordton.

Gastonia—359 W. Main Ave., Earle W. Brockman, Manager. Pt. Belmont.

Goldsboro—115 E. Mulberry St., Clay B. Rich, Manager. Pts. Mount Olive, Warsaw, Wallace.

Greensboro—Starr Bldg., 229 North Green St., James E. Filipski, Manager. Divisional Office, 231 N. Green St.

Greenville—513 Cotanche St., Wm. B. Dillingham, Manager. Pt. Farmville.

Henderson—211 Turner Ave., W. Hall Brooks, Manager. Pts. Warrenton, Oxford.

Hendersonville—141 6th Ave. E., Gardiner P. Bly, Manager. Pts. Columbus, Brevard.

Hickory—4 First Ave., N.W., H. D. Boyles, Manager.

High Point—400-408 N. Wrenn St., Ralph E. Miller, Manager. Divisional Office, 400-408 N. Wrenn St.

Jacksonville—819 Court St., Duke Amerson, Manager.

Kannapolis—210 Oak Ave., S. W. Patterson, Manager.

Kinston—114 N. Independent St., Herman Wellons, Manager. Divisional Office, 112 N. Independent St. Pt. Snow Hill.

Lenoir—Hedrick Building, 133 N. Church St., Augustus H. Jarratt, Jr., Manager. Pt. Granite Falls.

Lexington—30 W. Second Ave., W. Alan Knight, Manager. Pt. Denton.

Lincolnton—409 E. Main St., Paul H. Lawing, Manager. Pt. Cherryville.

Lumberton—Wishart Bldg., 307 E. Third St., Carl D. Brothers, Manager. Pts. Whiteville, Elizabethtown, Fairmont

Marion—Hawkins Bldg., 13 West Henderson St., David S. Gray, Jr., Manager.

Monroe—128 S. Main St., Floyd Harrill, Manager.

Morehead City—809 E. Evans St., Mrs. Julia P. Tenney, Manager. Pts. Atlantic, Davis.

Morganton—Davis Bldg., 306 S. Green St., Ned W. LaFevers, Manager. Pt. Valdese.

Mount Airy—Fuller Bldg., 222 Franklin St., Carl M. Baber, Manager. Pts. Elkin, Yadkinville.

Murphy—Garrett Bldg., Willow St., Jack A. Wilson, Manager. Pts. Andrews, Hayesville, Robbinsville

New Bern—211 Pollock St., Benjamin F. Gillikin, Manager. Pts. Bayboro, Trenton.

Newton—208 N. College Ave., Cephas A. Cloninger, Manager.

North Wilkesboro—Duke Power Building, 309 Ninth St., Troy L. Perry, Manager. Pts. Boone, Sparta, Taylorsville, Jefferson.

Raleigh—323 W. Hargett St., Lee J. Craven, Manager. Divisional Office, 325 W. Hargett St. Pts. Franklinton, Fuquay, Louisburg, Wake Forest, Wendell, Clayton, Smithfield.

Reidsville—213 Settle St., Claude R. Sealey, Manager. Pt. Yanceyville.

Roanoke Rapids—308 Roanoke Ave., John R. Fish, Manager. Pts. Enfield, Scotland Neck, Ahoskie, Jackson, Rich Square, Murfreesboro.

Rockingham—102 S. Randolph St., Richard E. Smith, Jr., Manager. Pts. Laurinburg, Wadesboro.

Rocky Mount—234 Hill St., Graham K. Cottingham, Manager. Divisional Office, 238 Hill St. Pt. Tarboro.

Salisbury—121-123 N. Church St., J. S. J. Horton, Manager. Pts. Mocksville, Cooleemee.

Sanford—219 S. Steele St., L. Garland Scott, Manager. Pts. Carthage, Robbins, Southern Pines, Pinehurst.

Shelby—Royster Building, 210 W. Washington St., John B. Fleming, Manager. Kings Mt.

Spray—County Adm. Building, Boone Road, Wade W. Lemons, Manager. Pt. Mayodan.

Spruce Pine—New Ellis Bldg., 110 Oak St., Davis M. Nichols, Manager. Pts. Barkersville, Burnsville, Newland.

Statesville—Employment Security Bldg., 240 W. Broad St., Wade H. Wilson, Manager. Pt. Mooresville.

Thomasville—Hill Building, 7 East Main St., John L. Taylor, Manager.

Washington—136 W. Second St., Grover C. Teeter, Jr., Manager. Pts. Belhaven, Swan Quarter.

Waynesville—110 Montgomery St., Miss DeBrayda Fisher, Manager. Pts. Sylva.

Williamston—101 N. Haughton St., J. Kelly Gay, Manager. Pts. Windsor, Plymouth.

Wilmington—Employment Security Bldg., 304-306 Chestnut St., William H. Powell, Manager. Divisional Office, Employment Security Bldg., 308 Chestnut St. Pts. Burgaw, Southport, Supply.

Wilson—Farris Bldg., 303 E. Nash St., Mrs. Jeannette M. Grainger, Manager.

Winston-Salem—124 N. Main St., John H. Wilson, Jr., Manager. Divisional Office, 118 N. Main St. Pt. Kernersville.

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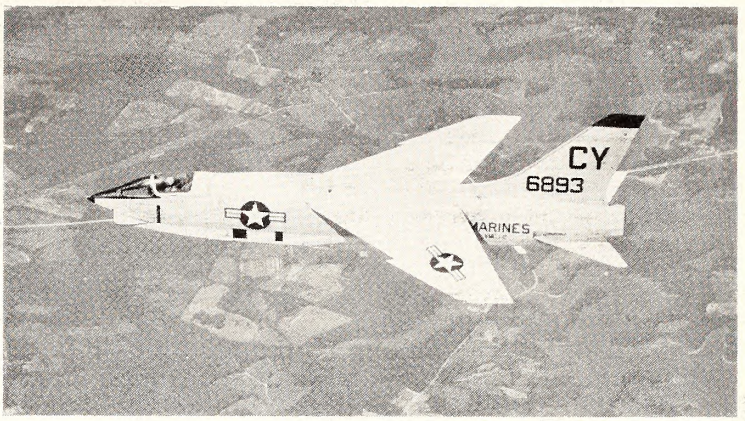
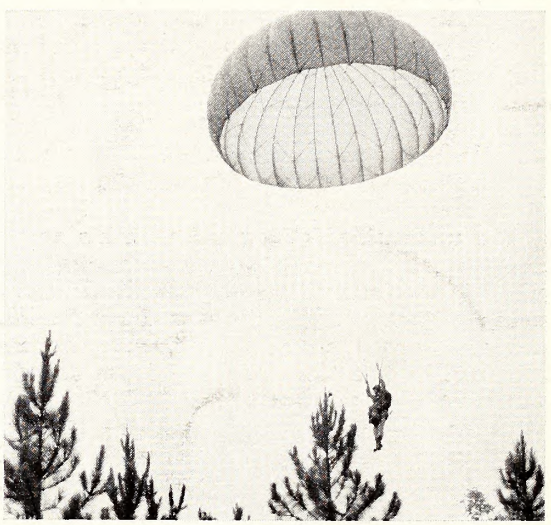
THE ESC QUARTERLY

VOLUME 19, NO. 3-4 SUMMER-FALL, 1961





Employment Security Commission Of North Carolina

over Legend On Page Two

Military Edition

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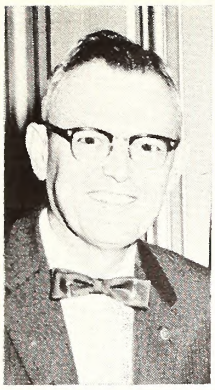


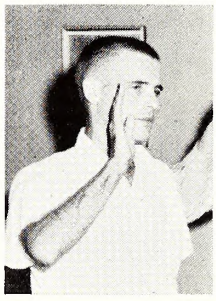
KENDALL

CHAIRMAN'S COMMENTS

HENRY E. KENDALL, *Chairman*
Employment Security Commission

This is the first edition of THE E. S. C. QUARTERLY ever devoted to the military establishment in North Carolina, and is the first issue which has featured an organization not covered by the state's Employment Security Law. Although the military is not a covered employer, we speculated on its effect upon employment, particularly the lines of economic contribution to North Carolina, for unlike the middle '30's, these are not days of military obscurity. Attaining statue that feasibly overshadows its importance during WW II, the military today affects all of us in some degree and its impact upon our state and people, candidly, is somewhat astonishing.

During the preparation of several articles, some military people asserted belief that their organization "is the state's largest industry." The textile group, with an average annual payroll of approximately $740 million, will take exception. Nevertheless, the combined annual payroll (civilian and military) at Fort Bragg, Camp Lejeune, Cherry Point, Seymour Johnson and Pope Air Force bases, and the Coast Guard station at Elizabeth City is over $271 million. This sum is almost double the combined payrolls of our state's second and third leading employers, the furniture and tobacco industries. The payroll of only six military installations, the $271-million figure does not include salaries of personnel attached to the National Guard, Recruiting Services, reserve programs, and other military components within North Carolina. Imagine the sum of every federal dollar spent in our state from military budgets!



The unidentified young lad with his arm raised in oath typifies the hundreds of young men and women of North Carolina who each year enter active military service. "Active Duty Begins," the story of armed forces recruiting, is featured on page 67. In this issue you will learn the story of Selective Service, one of our state's most vital agencies. And Civil Defense, which virtually overnight gained national awareness, tells of North Carolina's preparedness for national emergency on page 20.

The naval officer on the right is William M. Storey, secretary of the N. C. Bar Association, and Lieutenant Commander in the Naval Reserve. Thousands of North Carolinians from practically every civilian occupation participate in reserve programs, continuing their military affiliations in inactive service. The N. C. Army and Air National Guard, "Dedicated Civilian Soldiers," is featured in an article from the Adjutant General's Department.

A Marine from one of the nation's largest Marine Corps activities enjoys a sun-baked day of leave, fishing on Pamlico Sound. This is an irresistible picture, for civilian and military recreation is not unlike. Military installations are municipalities within themselves, which you will learn from the article on page seven—Fort Bragg, home of STRAC.

The complete military effect in North Carolina is probably inestimable. So, without intending to over-play or emphasize any particular branch of the military, we believe this is a composite picture of its purpose within the state. No attempt was made to feature every separate military unit, only an appropriate balance, and notable omissions are the excellent Reserve Marine Corps program and the Coast Guard facilities that dot our coastline. Particular appreciation is given to the commanding officers of the units featured in this edition and to the public information people who prepared the material.

The E S C Quarterly

(Formerly The U.C.C. Quarterly)

Volume 19, No. 3-4 Summer-Fall, 1961

Issued at Raleigh, N. C., by the

EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

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Top left: Troops of the 2nd Marine Division of Camp Lejeu storm ashore during a recent omphibious landing demonstrati for the Secretory of Defense. Top right: A F8U "Crusoder" j returns to the Cherry Point Morine Corps oir station. Cent left: Morines stotioned in North Corolina conduct training Vieques, Porto Rico. Center right: Porachute landings ore n olways on level ground. Here o trooper from Fort Brogg decen into North Corolino pines. Lower left: Air Force sentries o guard dogs stond duty before o hugh B-52 SAC bomber Seymour Johnson Air Force bose. Lower right: At one of t nation's lorgest miiitary installotions, troops parade on F Bragg's moin post field.

To Cope With Changing Times

ESC INITIATES "LONG RANGE" PROGRAM

BY ED HYATT, Defense Rediness Coordinator, Employment Service Division

It has been recognized that the facilities and capabilities of the Employment Service have not kept pace with the changing and increasing social and economic demands of the nation within recent years.

Very early in 1961, President Kennedy indicated his interest in a strong and effective public employment service. In his "State of the Union" message, he stated that he would propose "measures" . . to expand the services of the United States Employment (Service) Offices," and his economic message stated more explicitly: "I am directing the Secretary of Labor to take necessary steps to provide better service for unemployment insurance claimants and other job applicants registered with the United States Employment Service. This will require expanded counseling and placement services for workers or job seekers (1) in depressed areas; (2) in rural areas of chronic unemployment; (3) displaced by automation and technological change in factories and on farms; (4) in upper age brackets; and (5) recently graduated from college and high school."

On March 20, 1961, Mr. Robert C. Goodwin, Director of the United States Employment Service, addressed the Senate Appropriations Committee. In his testimony, which was in the form of a budget request, Mr. Goodwin described the nature and scope of proposals for improving the Employment Service. These proposals were in line with the President's directions to the Secretary of Labor.

Mr. Goodwin, in his budget request, made clear that achieving the President's purpose would involve actions which would redirect present resources as well as actions which would require additional resources.

"Our first actions will be directed at providing the needed job promotion and placement growing out of the economic recession," Goodwin said. "Even with high levels of unemployment, many job openings are available and they need to be filled as rapidly as possible. We will, therefore, expand our (employment service) activities to a larger number of employers in the major centers throughout the country to obtain the maximum number of job orders. We will also improve and speed the selection and referral of qualified job seekers."

Goodwin continued by saying, ". . . with the ending of the current (1960-1961) school year, we will expand our placement program for youths who have completed their education and are looking for work."

He also directed a number of remarks toward certain areas beyond the immediate needs for improving and expanding the public employment service. He referred to the necessity for re-gearing the Employment Service to deal with the massive manpower changes which have resulted from the rapidly increasing population, sometimes called the "population explosion." He remarked on the need for assistance in meeting the human problems which result from automation in offices, factories, and on farms. He referred to the necessity for helping the vast number of young people entering the work force and to the need for more assistance to older workers. Finally, he made reference to re-gearing the Employment Service to ". . . deal with the problems of persistent under-employment and unemployment which pervade too many of our rural and urban areas."

Although the responsibility for effectuating such wide-spread changes in the Employment Service ultimately must be retained by officials at the national and state administrative levels, the local level readily is recognized as the point at which most of the proposed changes will be made. "We intend to make the employment office in each locality a community manpower center," according to Goodwin. "It will work cooperatively with individual workers, employers, education and training institutions, community groups, professional associations, and government agencies in the community to meet local manpower problems and achieve the national goals of minimum unemployment, economic growth, skill development of the workforce, and maximum utilization of our manpower resources."

Recognizing that the President's purpose goes beyond simply doing more of the same things that have been done, Goodwin stated that "new demands can be met (only) with new vigor, new vision, new approaches, new methods, and new organization. Our proposal for a modernized employment service assumes that the action front will remain, as it is now, within the local offices, operated by the states," Goodwin added, "but as an integral part of the national system of public employment offices."

Emphasizing the role of the Federal Government, Goodwin went on to say that the proposed revitalized employment service also assumes ". . . the assertion of greater national leadership in the Federal-State partnership, and central leadership is as much a condition of efficiency and effectiveness here as in any nationwide enterprise."

In subsequent actions, the President appeared before Congress to request funds for the expansion and improvement of the Employment Service. Congress approved the Administration request for $1.7 million to be granted to the states and an additional $120,000 for the Bureau of Employment Security to be expanded during the remainder of the fiscal year ending June 30, 1961. In addition, a request for $23.7 million for the extension of this program through fiscal year 1962 is before the current session of Congress.

The approval of additional funds for the Employment Service within fiscal '61 was based on anti-recessionary considerations and the urgent need for better services in the local employment offices. These funds were made available to accomplish the following program objectives: (1) improved placement services to unemployed workers, especially in the large urban centers, and (2) better placement and other job market services to new high school and college graduates. These two program services are regarded as the immediate and initial phase of long-range and continuing program improvement.

Basic improvements in the Employment Service are concentrated on nationally significant employment and unemployment problems. Among these are (1) employment problems arising out of automation and other technological changes; (2) problems in urban and rural areas of persistent unemployment and under-employment; (3) major metropolitan labor market area problems; (4) recruitment and placement for professional and technical occupations; (5) modernization of inter-area (clearance) recruitment and placement activities; (6) employment assistance to minority group and older job seekers; and (7) employment office services to migratory farm workers and employers.

Since gaining congressional approval, the Director of the United States Employment Service has informed all State Employment Security Agencies, that "Both the Administration's objectives and the congressional intent require immediate action by the Bureau of Employment Security and the State agen-

—See CHANGING TIMES, Page 39—

SESSION 1961

INTRODUCED BY: SENATOR WINSLOW

Referred to:

A BILL TO BE ENTITLED AN ACT TO AMEND CHAPTER 96, GENERAL STATUTES OF NORTH CAROLINA, AS AMENDED, KNOWN AS THE EMPLOYMENT SECURITY LAW, TO PROVIDE FOR THE ESTABLISHMENT OF CERTAIN QUALIFYING CONDITIONS TO PROMOTE A CLOSER ATTACHMENT TO THE LABOR FORCE OF CLAIMANTS; TO INCREASE BENEFIT PAYMENTS; TO PROVIDE FOR MORE LIBERAL TERMINATION OF EMPLO[illegible] UNDER THE LAW; TO PROVIDE FOR THE RIGHT OF APPEAL BY THE COM[illegible]RTAIN CASES FROM JUDGMENTS OF SUPERIOR COURTS; TO INCR[illegible] UNDER THE LAW ONLY TO THE EXTENT THAT COVERAGE HAS BE[illegible]NDER THE FEDERAL UNEMPLOYMENT TAX ACT; AND TO FURTHER CL[illegible] PROVISIONS OF SAID CHAPTER.

1961 AMENDMENTS

The General Assembly [illegible]olina do enact:

Secti[illegible]rticle 1, Chapter 96, Section 96-6 (b), General Statutes o[illegible]ina as such appears in the 1958 Replacement Volume 2C thereof, b[illegible]d the same is hereby amended by striking out in lines twelve and thirteen thereof the words "by the State Auditor" and inserting in lieu thereof the following:

"as provided in Section 143-3.2, General Statutes"

Sec. 2. That Article 1, Chapter 96, Section 96-6 (c), General Statutes of North Carolina as such appears in the 1958 Replacement Volume 2C thereof, be and the same is hereby amended by striking out in line eight thereof the words "by the State Auditor" and inserting in lieu thereof the following:

"as provided in Section 143-3.2, General Statutes and"

Sec. 3. That Article 1, Chapter 96, Section 96-6 (c), General Statutes of North Carolina as such appears in the 1958 Replacement Volume

1961 GENERAL ASSEMBLY AMENDS STATE'S EMPLOYMENT SECURITY LAW

By Bruce Billings
Attorney, ESC

During the 1961 session of the General Assembly legislation was enacted to improve the Employment Security Program in North Carolina. Some provisions of the Law as enacted were merely technical in nature or for the purpose of clarification of existing statutes. Such changes related to the deletion of certain obsolete language in the Act; the bringing up-to-date in certain sections of the Law references to certain recodified Federal Statutes and the providing of issuance of unemployment insurance checks in the same manner as other state disbursements.

Substantial changes in the Law consisted, among other things, in the increasing of benefit payments of claimants, but provided at the same time that eligible claimants must show by work history a closer attachment to the labor force than previously required of them.

The amount of benefits provided by the amendments is dependent on the level of the claimant's past earnings. It is the purpose of the Law to compensate, in part, the worker's wage loss while unemployed. In writing the revisions relating to benefits, due consideration was given to the philosophy that unemployment insurance benefits should be high enough to provide the unemployed person with a livelihood while out of a job. At the same time the amount of benefits should not be so large as to blunt the claimant's incentive to find new employment. The amended Law was designed to provide a benefit reasonably related to the present-day earnings level of insured workers who become unemployed.

Benefit Payments Increase

Benefit payments to eligible claimants were increased from a minimum of $11 to $12 per week. The maximum weekly benefit amount was raised from $32 to $35. In addition to this change, the wages necessary to be earned in the base period to qualify for the minimum weekly benefit was increased from $500 to $550. The qualifying base period wages necessary to draw the maximum amount of $35 in weekly benefits were set at $3,600. Other weekly benefit amounts falling between the minimum and maximum amounts were increased approximately one dollar in each benefit step.

In order to bring about a closer attachment of the claimant to the labor force, a requirement was adopted that qualifying wages upon which benefits are based must be paid in at least two different calendar quarters. Such wages previously could have been paid in only one calendar quarter. A minimum earnings test is used in the new provisions of the Act to measure the worker's attachment to the work force. This requirement denies any benefits to claimants whose earnings in a specified 12-month period are below an established level which indicates only a short or temporary employment record of the individual involved.

A claimant who has exhausted his maximum benefit amount during a benefit year cannot again establish eligibility for benefits without meeting new conditions. In addition to the previous requirements, he must have been paid wages amounting to as much as ten times his new weekly benefit amount in covered employment. Such earnings must have been paid in the period since the filing of his previous initial claim upon which his expired benefit year was established.

The introduction of this limited period of required employment gives assurance of a continuing desire for and willingness to accept employment evidenced by a recent attachment to the work force. This requirement is designed to eliminate those persons who, in fact, withdraw from the job seeking group but who express false willingness to accept employment as long as benefits may be attainable.

A claimant who is partially unemployed may now earn up to one-half of the amount of his weekly benefit before any sum is deducted from his weekly benefit. Formerly all wages he earned in excess of one-third his weekly benefit amount were required to be deducted from his weekly benefit payments. The new provision will encourage claimants to take jobs or part-time work when available to them during the weeks of unemployment. This will, of course, increase such person's income during these periods.

Other benefit provisions were rewritten. One was with respect to the eligibility of pregnant women. No woman now is deemed eligible for benefits, who has been separated from her work due to pregnancy, until three months after the birth of her child. She must then meet the usual eligibility conditions in order to receive benefits. There may be some cases in which a woman in the incipient stages of pregnancy is laid off due to lack of work. The Law is not changed concerning her eligibility. She is not eligible for benefits during the three months preceding the expected birth of her child. She is also ineligible for a three months period immediately following the birth of her child.

Labor Dispute Clause

The disqualification section relating to labor disputes has been amended. The previous disqualification of claimants in such cases was based on the existence of a labor dispute at the plant where he worked, and a stoppage of work attributable to the labor dispute must have resulted in the unemployment of the claimant. If he could not show that he was not participating in, financing, or directly interested in the dispute, and that he did not belong to a group or class of workers any of whom were participating in, financing, or directly interested in the dispute, he was disqualified for benefits. When the stoppage of work ceased at the plant, he could draw benefits if he continued to be unemployed and met the other eligibility requirements of the Law.

The recent changes in these provisions disqualify any individual who is unemployed due to a labor dispute in active progress at the factory or plant or other premises at which he is or was last employed. The disqualification is also applicable in those cases where the unemployment of the worker is caused by a labor dispute in active progress at some other plant, if such plant is owned or operated by the same employing unit that operates the plant at which the claimant works. The plant at which the dispute is in active progress must, however, supply services or materials necessary to the continued and usual operation of the plant at which the claimant works for the claimant to become disqualified. The disqualification continues so long as the labor dispute is in active progress, and when the dispute has ceased, the disqualification continues for such period as is reasonably necessary to physically resume normal operations at the plant where the unemployment exists.

The changes made with respect to the labor dispute provisions of the Law relate to the individual worker himself in the application of the disqualification. Before the changes were made the disqualification related to the group of workers of the same grade or class. The old provisions further based the disqualification upon the stoppage of work which existed at the plant or premises if attributable to a labor dispute. The new provision provides that the disqualification shall become effective if the unemployment of the individual is caused by a labor dispute in active progress at the plant or premises. Under the provisions of the previous law, once the stoppage of work had ceased at the plant or premises the unemployed individual involved in the labor dispute and directly interested in the labor dispute and who had participated in the labor dispute received benefits if he met the other conditions of the Law relating to availability and eligibility.

The new provision continues the disqualification against all unemployed workers who are unemployed due to the labor dispute so long as the dispute is in active progress. The plant may resume operations and the stoppage of work may be ended, but if the dispute continues and remains active the indi-

—See AMENDMENTS, Page 88—

Official U. S. Army Phot

NORTH CAROLINA'S LARGEST MILITARY INSTALLATION HAS FAR REACHING IMPACT ON STATE'S ECONOMIC DEVELOPMENT

Material Prepared By The Fort Bragg Public Information Office

Amid the serenity of the hospitable South, between the Great Smoky Mountains and the Atlantic Coast, in the pine-covered sandhills of North Carolina, lies Fort Bragg. But the serenity is misleading, for this great Army installation is the headquarters of the Strategic Army Corps (STRAC) and probably the busiest post in the United States. Fort Bragg looms as a vital military metropolis, poised to shift into immediate action and provide the skilled, highly trained units needed to face an aggressor against freedom anywhere in the world.

Eighteen Airborne Corps at Fort Bragg, is headquarters for the elite STRAC, a three-division combat force with supporting units located at 54 military installations throughout the United States. Lt. General Hamilton H. Howze is Commanding General of STRAC, XVIII Airborne Corps and Fort Bragg.

In addition to its normal troop complement, Fort Bragg hosts from June through August, approximately 13,500 reserve component troops for their annual active duty training. This includes approximately 8,200 National Guardsmen, 3,800 U. S. Army Reservists, and 1,500 ROTC cadets.

It is evident that a military post of this magnitude has a considerable economic impact on surrounding communities.

Fort Bragg is operated principally on local civilian resources. The commissary, the Army's supermarket, spends about $250,000 monthly for food products from the Fayetteville area. The power bills average about $80,000 each month, and the military telephone bill reaches more than $10,000 monthly.

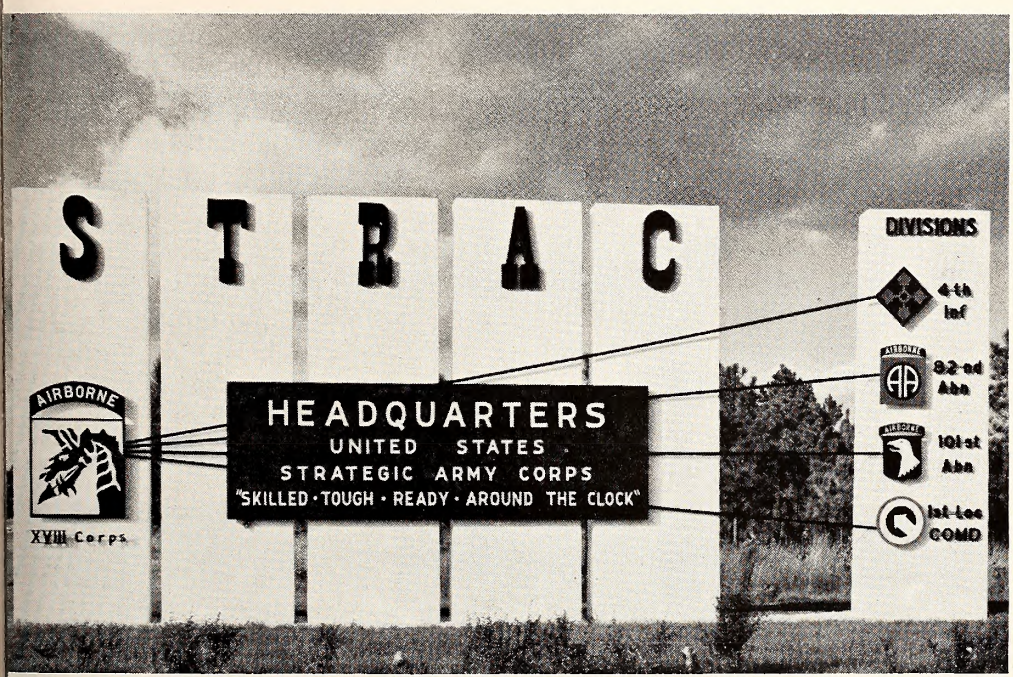
In addition to its 30,000-plus troop population, Fort Bragg currently employs approximately 2,300 Civil Service employees from ten North Carolina counties. About one hundred of these are handicapped workers. Civilian employees hold a variety of positions, many of them highly technical jobs and specialized administrative services.

The combined payroll for military personnel, including about 700 retired members, and the civilian employees approximates $98 million annually! Much of this is spent for local products and services.

The ratio of automobiles to population at Fort Bragg further illustrates local purchasing. Approximately 19,200 automobiles are registered with the Military Police license section. Civilian automobiles number 4,000.

Army families are an integral part of the civilian community. Over 700 military families own homes in Cumberland communities and more than 7,000 rent in this area.

Fort Bragg, generating an annual purchasing capacity of approximately $162 million, is a large industry, influencing and benefiting business firms, social institutions, and almost every other enterprise or endeavor in the local area.



Welcome to Fort Bragg! This attractive sign, exhibiting the commands stationed on the base, greets visitors on North Carolina highway 87, a well-groomed, four-lane thoroughfare which carries public traffic through the area. The reservation encompasses a wide segment of Cumberland and Hoke counties.

Economic Contributions

The Fort Bragg reservation covers an area nearly three times the size of the District of Columbia. With a troop population of more than 30,000 and an area of 138,000 acres, it is one of the largest military installations in the U. S. The reservation, including the main post and training areas, is 28½ miles long and 14½ miles wide. The City of Fayetteville lies nine miles to the southeast on NC Hwy 87. This nine-mile stretch is the most active single thoroughfare in the state.

Home of the Airborne

Fort Bragg was temporarily established in 1918 as an artillery training center and was named in honor of General Braxton Bragg, military advisor to Confederate President Jefferson Davis. Four years later it was designated a permanent U. S. Army installation.

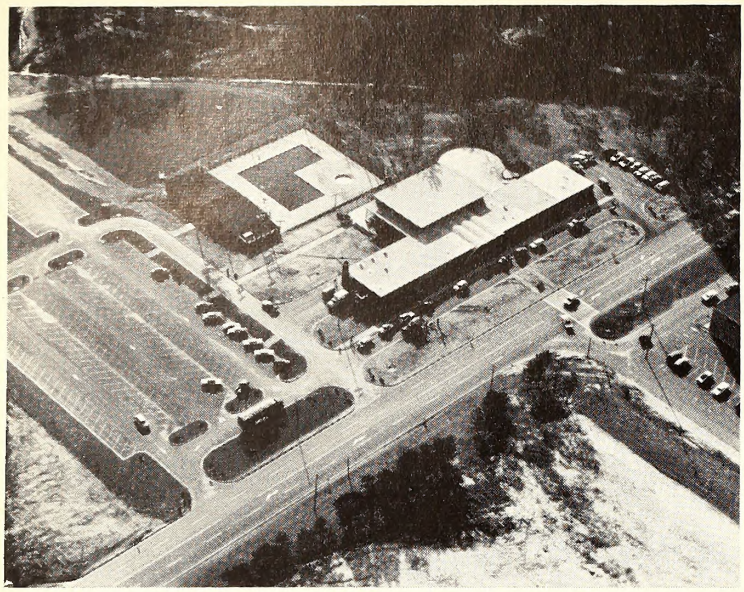
When World War II proved the effectiveness of airborne tactics, it followed that these new concepts would be pursued and developed. Fort Bragg was designated the "Home of the Airborne" and America's "Guard of Honor"—the 82nd Airborne Division—was stationed here when it returned from Europe in 1946. The "All-American" Division established a basic and advanced airborne school in 1953 which yearly turns out thousands of well-trained, hardened paratroopers. In 1951 the combat-tested XVIII Airborne Corps was reactivated at Fort Bragg.

The rugged terrain is particularly well suited for training of airborne troops, and five large drop zones have been plowed in the sandy soil to support the intensive training in parachute operations.

Besides Headquarters XVIII Airborne Corps (Strategic Army Corps headquarters) and the 82nd Airborne Division, Fort Bragg is home station of the U. S. Army Special Warfare Center, the 7th and 5th Special Forces Groups (Airborne), 301st Logistical Command, the 3rd U. S. Army Missile Command (Air-Transportable), and XVIII Airborne Corps Artillery. In addition to these major units, there are many combat, logistical, and administrative support units. These vital elements lend an electrifying, purposeful atmosphere to this huge, busy post.

Strategic Army Corps

The Strategic Army Corps (STRAC) is the Army's answer to communist-inspired brush-fire type actions. STRAC



Recreation, commissary, and exchonge privileges ore extensive at Fort Bragg. Troop population olone exceeds 30,000. The aerial view is of the moin post's nan-commissianed officers' club, one of Bragg's most modern facilities. On the right, youngsters from military fomilies receiving swimming instruction There are facilities for almost every spart on the base. Almost 8,000 families own ar rent homes in Foyetteville and surraunding orea.

has reacted and can react with the rapidity necessary to prevent the loss of another defenseless nation to communist imperialism.

STRAC is the Continental U.S. based ready-force of the Army. Its mission is to meet an initial emergency situation anywhere in the world or reinforce troops, U.S. or Allied, already committed against an aggressor. STRAC remains at all times operationally ready for conventional, limited, or nuclear warfare.

STRAC Forces include two airborne divisions and one infantry division, as well as numerous other combat and logistical support units. STRAC's three major combat units are the 82d Airborne Division at Fort Bragg, the 101st Airborne Division at Fort Campbell, Kentucky, and the 4th Infantry Division at Fort Lewis, Washington.

In addition, STRAC forces include the 2nd Infantry Brigade at Fort Devens, Massachusetts; Combat Command A, 1st Armored Division at Fort Hood, Texas; 3rd Armored Cavalry Regiment at Fort Meade, Maryland; and XVIII Airborne Corps Artillery at Fort Bragg.

Two missile commands have STRAC status—the 2nd U.S. Army Missile Command (Medium) at Fort Carson, Colorado, and the 3rd U.S. Army Missile Command (Air-Transportable) at Fort Bragg. In addition there are some 40 combat support units, battalion and company size, that round out the STRAC troop list.

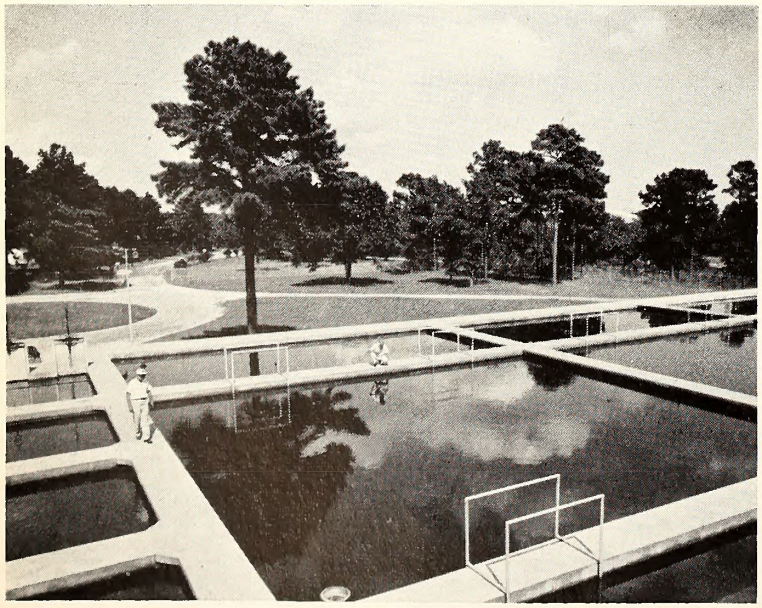
To provide logistical and administrative support, STRAC has 324 administrative and logistic support units stationed at 54 different military installations in the Continental United States.

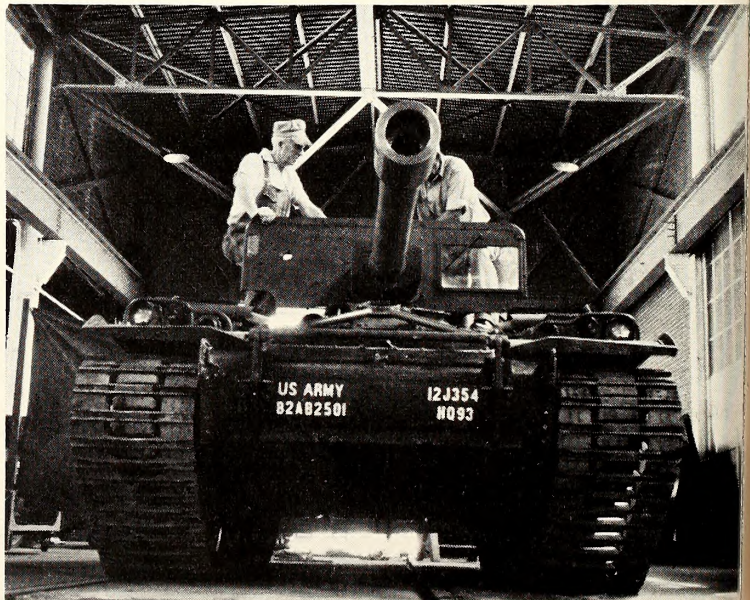
The plan to bring the 1st Infantry Division, Fort Riley, Kansas; the 2nd Infantry Division, Fort Benning, Georgia; and the 2nd Armored Division, Fort Hood, Texas, to STRAC status by the end of the year has been announced by President Kennedy.

The STRAC concept is a weapons system which in the foreseeable future will not become obsolete. Weapons, tactics and politics may change, but unless the basic nature of man is changed, there will be a continuing requirement for troops to move into those areas of the world where the United States wishes to establish and maintain control or authority. STRAC can furnish the necessary *degree of force* to meet any situation and, once committed, STRAC can conduct sustained combat operations for an indefinite period of time.

Provides A Tailored Force

STRAC's speciality is *immediate response*. It has the ability to provide anywhere in the world, a tailored force from a reinforced rifle company to three combat divisions together with the necessary support to maintain them indefinitely. STRAC units are prepared to move *strategically* or *tactically*, whenever and whenever a military force is required. The lead elements are ready





Abaut 2300 civilian, civil service workers are employed an the Fart Bragg reservation. Vital to maintenance ond service operations, civilions occupy mor various job clossifications. Chorles K. Kammond and J. R. Hapkins, right, repair o tank at the Fort Bragg ordnonce shop. Coyt M. Sounders and M. Edmondsan check the operotian of Bragg's outdoor woter filtration plont. Many of the civilion positions ore highly speciolized jabs.

COMMANDING GENERAL, FORT BRAGG

LIEUTENANT GENERAL HAMILTON H. HOWZE, Commanding General of Fort Bragg, XVIII Airborne Corps, and STRAC. General Howze was born at West Point, 1908, when his father was commandant of cadets, US Military Academy. Prior to entering the military academy in 1926, he attended Ohio State University. He was commissioned a second lieutenant of the cavalry in 1930. Later in his Army career, General Howze attended the Advanced Equitation Course; the U.S. Army Command and General Staff College, Command Course; the National War College; and the US Army Infantry School. He is a qualified airplane and helicopter pilot. Promoted to Lt. General on September 1, 1961, he has served in Korea, with the Seventh Army in Europe, with the Department of Army, and as Commanding General of the 82nd Airborne Division.

82nd AIRBORNE DIVISION

MAJOR GENERAL THEODORE J. CONWAY, Commanding General, 82nd Airborne Division. A native of California, he graduated and was commissioned from the US Military Academy in 1933. On July 15, 1960, General Conway assumed duties as Asst. Division Commander, 82nd Airborne Division. He was promoted to Major General April 2, 1961, and assumed command of the "All Americans" on April 23. Gen. Conway has served as an instructor at West Point. His major assignments include duty with SHAPE in Europe, NATO, and with the Fifth Army during WW II. He has served as senior Army advisor, Korean Military Advisory Group. General Conway holds the Legion of Merit award, the Bronze Star with two clusters, the Combat Infantryman Badge, the Master Parachutist Badge, and many other foreign and US citations.

301st LOGISTICAL COMMAND

MAJOR GENERAL EDWARD J. McGREW, JR., Commander of the 301st Logistical Command. Born at Lexington, Missouri, in 1902, General McGrew graduated from MIT in 1926 with a BS degree in Civil Engineering. He was commissioned a second lieutenant, Corps of Engineers Reserve, in 1929. He was on active duty for 4½ years during WW II in the Office of the Under Secretary of War, Office of the Chief of Engineers, with the Army Service Forces, and the Office of the Chief of Staff. He was recalled to active duty in 1950 and served as Asst. Chief of Staff, G-4, of the 301st Logistical Command for 17 months. During the three years immediately preceding recall to active duty, General McGrew served as a member of the General Staff Committee on Army Reserve Policy, Department of the Army. He was promoted to his present rank in 1956.

SPECIAL WARFARE CENTER

BRIGADIER GENERAL WILLIAM P. YARBOROUGH, Commanding General of the US Army Special Warfare Center at Fort Bragg. A master parachutist with a distinguished combat record and with more than 30 years' military service, General Yarborough assumed command of the Special Warfare Center and Special Warfare School at Fort Bragg on January 23, 1961. A 1936 West Point graduate, he is the seventh officer to fill the dual role of commander/commandant since the Center and its activities transferred from Fort Riley, Kansas, to Fort Bragg in 1952. As a test officer for the newly organized Provisional Parachute Group in 1941, he designed the jump boot, jump uniform, and the parachutist's qualification badge. He is a veteran of four combat jumps during WW II, and saw extensive action in about all European areas.

to depart their home stations within one hour after the order to move is received, with or without prior alert notification.

All-American Division

Fort Bragg's 82nd Airborne Division was designated the "All-American Division" during World War I, since its soldiers hailed from every state in the Union. They added a second nickname, "America's Guard of Honor," during the occupation of Berlin after World War II. The division now consists of five Airborne Battle Groups, Division Artillery, Command and Control Battalion, Engineering Battalion, Signal Battalion and Support Group. Each battle group contains a headquarters and headquarters company, five rifle companies, and a heavy mortar battery.

In keeping with STRAC's constant state of readiness, the 82nd maintains both a Division Ready Force (DRF) and an Immediate Ready Force (IRF). The DRF, a one battle group force, is poised constantly ready for a movement order. Within the DRF, one reinforced rifle company is designated the IRF, which is on a constant stand-by. This IRF can move to a departure airfield with full combat gear within one hour after a movement order is received.

Simmons Army Air Field

Fort Bragg's Simmons Army Air Field was established in March 1956, as a small emergency land strip. Today it is the third largest Army air field in the world and the largest not connected with a training school. An integral part of Fort Bragg, Simmons is home base for the post's aviation units and serves 150 organic aircraft, both fixed and rotary wing. The all-weather field also services military aircraft flying north-south military air routes over the Eastern Seaboard.

301st Logistical Command

The unit that is most directly involved in pumping life into the STRAC organization and keeping STRAC on the move is the 301st Logistical Command (STRACLOG), commanded by Major General Edward J. McGrew.

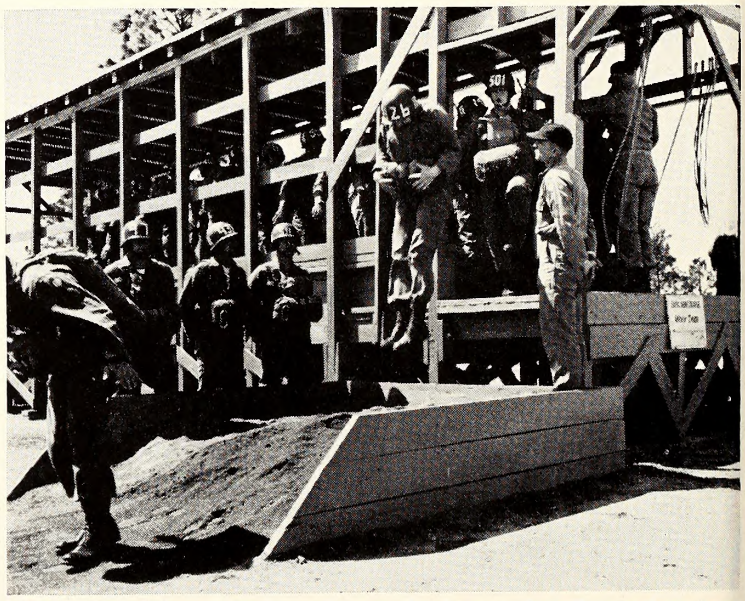
This organization is responsible for furnishing logistical support to all STRAC elements under any contingency plans. This support responsibility includes planning of all types such as supply, maintenance, transportation, hospitalization, communications, security and ordnance.

Within the 301st Logistical Command's organization, much emphasis is placed on the intra-Army technical and administrative service team play. Only with interservice cooperation is it possible to carry out the complete logistical support required in a theater of operations. Representatives from the Army service and technical schools are part of the 301st Logistical Command and, working together, they plan the needs and requirements of keeping a field army on the move. The Command is actually the headquarters framework into which a complex system of logistical support must be fitted in time of war.

The steady resupply of frontline troops and a dozen other jobs that embrace every conceivable facet of the word "support" requires continuous preparation and supervision by experts plus constant revision to meet new demands based on changing tactical concepts.

A world champion jumper, member of the sky-diving team, peels off at 13,000 feet during a demonstration of delayed-fall parachuting.

Primary mission of these forces is to infiltrate by land, sea, or air into denied areas and organize the indigenous guerrilla potential on a military basis for conduct of guerrilla warfare.



Paratroopers are constantly trained to maintain a state of readiness for prompt dispatch of forces. They prepare to land on a Fort Bragg drop zone after a mass jump (left). Before a trooper makes his first jump, he is trained in every fundamental. Photo on the right shows prospective paratroopers practicing parachute landing falls through the mock aircraft door, one of many simulating training devices at the 82nd Division basic airborne school.

Special Forces

A unit of Fort Bragg's U.S. Army Special Warfare Center, the 7th Special Forces Group (Airborne), although not an element of STRAC, is currently in the public eye as an increasingly important part of the nation's readiness to combat aggression.

The 7th is one of four such specialized groups and is, at the present time, along with the recently activated 5th Special Forces Group, stationed in the United States. The 10th Special Forces Group is in Germany and the 1st Special Forces Group is in Okinawa.

Throughout the year, the Army's special forces units are engaged in rigorous and realistic training exercises all over the world. Men of the Special Forces attend the U.S. Army Special Warfare School at Fort Bragg where they receive instruction in psychological warfare, special forces operations, and counter guerrilla operations. The Special Warfare School also instructs students from other active Army units, reserve components, and Allied Nations. The special forces troopers study mountain and cold weather tactics at schools and training sites in Alaska, Colorado and

He also learns how to handle his 'chute before the first drop.

Utah. They perfect jungle warfare in the Canal Zone and Georgia. They attend underwater school at Key West, Florida, and special training at the U. S. Navy School in Virginia with Navy frogmen. These specialists learn foreign languages at the U.S. Army Language School in Monterey, California, and study field medicine at Brooke Army Medical Center in Texas. They also attend Ranger School, Signal School, and participate in specialized training with other military agencies.

Fort Bragg Facilities

Aside from its constant and vital contribution to the military mission in defense of the Nation, Fort Bragg provides ample facilities for the comfort and recreation of its personnel and their dependents.

Family housing consists of 1,461 officer units and 2,498 non-commissioned officer units. An additional 102 units now under construction will be available in November, and 152 more by February, 1962. These are permanent houses of stucco or brick construction and brick apartments. The main housing areas—Anzio Acres, Corregidor Courts, Bastogne Gables, Normandy Heights, and Hammond Hills—are located close to the main post facilities. Adequate quarters are also available for bachelor officers and married officers not accompanied by their dependents.

A variety of recreational activities and facilities are available to Fort Bragg personnel. Several officer and enlisted clubs provide dining and entertainment. The Fort Bragg Officers' Open Mess and the recently completed Fort Bragg Non-commissioned Officers' Open Mess are social centers on the post. The 82nd Airborne Division Officers' and Non-commissioned Officers' Open Messes, although primarily for members of the division, are open to members of the other clubs.

There are five enlisted service clubs in operation which feature numerous entertainment programs. Each is equipped with lounge furniture, musical instruments, writing desks, stationery, and games of every description. In addition to presenting special entertainment programs, the clubs regularly schedule card, chess, and other game tournaments, dancing classes, parties, motion pictures, music sessions, quizzes, crafts, and many other activities.

For off-duty hours several craft shops provide equipment to military personnel and dependents for varied hobbies such as woodworking, photography, model building, leathercraft, ceramics, metalcraft, and weaving.

Other important entertainment facilities include four theaters at Fort Bragg, and one at adjacent Pope Air Force Base. There is also a little theater group which provides the soldiers and dependents an opportunity to participate in dramas, comedies, and musicals. This workshop presents a major production every three months.

The Special Services Section maintains five libraries on post. All have writing materials, newspapers, and a wide selection of fiction, non-fiction, and reference books.

Fort Bragg has a superior year-round competitive sports program which includes basketball, softball, touch football, soccer, judo, tennis, swimming, fencing, volleyball, handball, boxing, golf and bowling. Almost every company-size unit forms teams in some of these sports for inter-unit competition.

Ã privately financed flying club for both Army and Air Force personnel operates on the Fort Bragg reservation

The main post chapel. It is one of many on the base and both Protestant and Catholic services are conducted here.

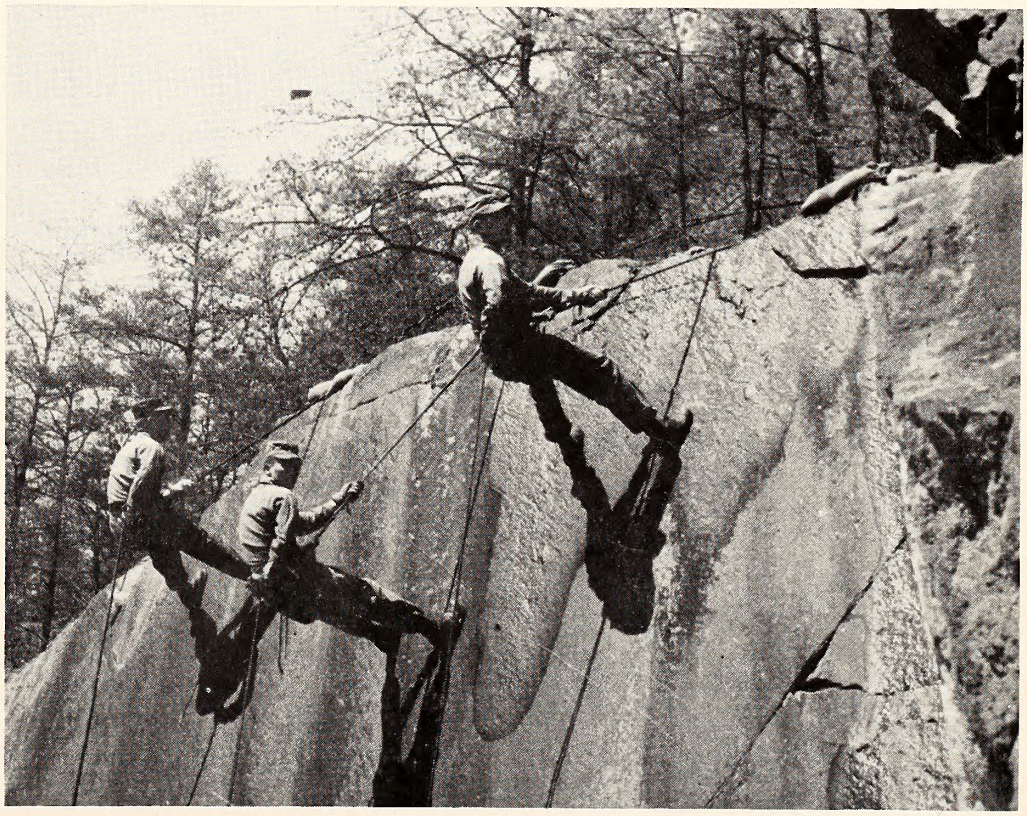
under the auspices of Pope Air Force Base.

Fort Bragg is the home of the U.S. Army Parachute Team, which won international honors in Paris this summer. In addition, the XVIII Airborne Corps, the 82nd Airborne Division, and the Special Warfare Center have clubs for sports parachute enthusiasts.

Education

On-post elementary schools are provided for dependent children in the first through eighth grades. Four modern

—See BRAGG, Page 89—



Members of the Special Forces Group train to operate in the most rugged and inaccessable terrain. These unconventional forces must use the land to their advantage when behind enemy lines.

CIVILIAN, MILITARY . . .

FAYETTEVILLE MIXES TWO WITH SUCCESS

By Robert Butler, *Mayor, Fayetteville, N. C.*

Fort Bragg and Pope Air Force Base are located approximately nine miles from Fayetteville on one of the largest military reservations in the world. One of the greatest factors in the growth of Fayetteville from a population of 15,000 to about 50,000 in the last two decades has been the economic impact of federal expenditures for military purposes in this area.

Fort Bragg is headquarters for the Strategic Army Corps and the 82nd Airborne Division. These organizations are designed to be highly mobile for use at any trouble spot in the world and at short notice. The U. S. Army at Fort Bragg averages a military population of about 30,000 men with an annual military payroll in the neighborhood of $100 million! In addition to the military some 3,300 civilian employees are used in various activities in the post. Although there are housing units on the post, many of the Army personnel rent or buy homes in the Fayetteville area and provide the major portion of business for commercial enterprises in the city.

During the summer months Fort Bragg accommodates and trains many National Guard and ROTC civilian-soldiers. These reservists usually spend two weeks in training and total over 14,000 in number. These officers and enlisted men come from many states and frequently visit the city.

The military and civilian payroll at our nearby military establishments does not represent the total economic effect felt in the city. It would be difficult to estimate the amounts of federal spending in local areas for all kinds of supplies for the troops or maintenance and construction needs. For example, the recent maneuver held in this area brought Army and Air Force groups from many spots in the United States to join in the exercise, creating some effect on the local economy.

Pope Air Force Base was organized in 1919 and was named for Lieutenant Harley Pope, a World War I flyer who lost his life near Fayetteville. The air base receives extensive support and services from Fort Bragg and Pope personnel are alloted a share of government housing on the post. The 464th Troop Carrier Wing at Pope furnishes much of the air transportation requirements for the airborne soldiers at Fort Bragg and also provides for supplying equipment and air evacuation. The military population of Pope Air Force Base runs around 2,500 with a monthly payroll exceeding $700,000. There are some 275 civilian employees drawing pay in excess of $100,000 monthly. It is estimated that total expenditures at the Air Base approach $15 million annually. Like its neighbor, Fort Bragg, the Air Force trains 370 Reservists at different times during the year.

These facts are indicative of some of the economic influence of these military establishments on the City of Fayetteville. The N. C. Employment Security Commission estimates that 21 per cent of the total employment in Cumberland County is by the Federal Government. Many wives of servicemen are employed as secretaries, salesladies, waitresses and other occupations.

Although the economic influence is great, the presence of the military is felt in many other ways. The relationship between citizens of Fayetteville and our military neighbors is kept at a high level of friendliness and cooperation, aided by such organizations as the Military Affairs Committee of the Fayetteville Chamber of Commerce, and the Army Advisory Committee sponsored by Fort Bragg. In police activities the Military Police of Fort Bragg are made available when needed to help the local police, as are the military investigative agencies.

An evergrowing number of Army men and their families remain in Fayetteville at retirement time, continuing to contribute to the City's economic well-being and civic affairs. This has contributed greatly to the population growth of the County which has grown at the fastest rate of the top ten counties of North Carolina.

Students of high school age attend the Fayetteville City Schools from the reservation, thus swelling the size and complexity of the school system. Federal funds are supplied for these additional services, but more important, the opportunities for better understanding are increased through the mingling of students from the military and civilian spheres. On the college level there has been a number of enrollees from the reservation into the newly founded Methodist College located at Fayetteville and mutual cultural activities such as concerts, amateur plays and fashion shows are constantly being carried on by using the facilities and talents of Fayetteville and Fort Bragg. Some of the most active places in the city are the USO centers, which aided by the United Fund and Salvation Army, carry on continual services and entertainment for the serviceman when he visits the city.

Civic charities are well-supported by the military and civilians appreciate the warm-hearted interest of their Army and Air Force neighbors in affairs of all kinds. Participation in school and church activities is high among military personnel as well as in other community organizations.

From the days back in 1941 to 194 when the overnight expansion of th armed services brought over 100,00 men to the environs of Fayetteville, th city has evolved to meet the challeng of providing services as up-to-date a possible. This has entailed changes i city government, expanded Publ Works, new roads and many othe tasks. Although the city is rapidly b coming more industrialized as a resu of the growing realization of the im portance of the transportation potenti of the Cape Fear River, the presen of two large military establishments still a major concern. The militar population makes good neighbors ar customers for the civilian populatio and although isolated incidents som time cause little problems, the overa effect of the close geographical rel tionship works out very well. I ho that this spirit of cooperation w continue and improve.

Robert Butler is a native of St. Pauls, N. C., a small town a few miles south of Fayetteville. He was educated at Wake Forest and the U.N.C. law schools. A practieing attorney since 1948, he is a member of the Butler, High and Bea law firm and is a former Judge, Cit of Fayetteville Recorders Court. H was eleeted mayor of Fayetteville i May, 1961, and is a Lieutenant Colone in the Air Force Reserve.

"I believe . . . simple virtues of old-fashioned honesty and integrity . . ."

Long-Time Member of the Employment Security Commission Speaks Out Against "Federalization" of State Unemployment Insurance Programs, Opposes Congressional Approval of House Resolution H. R. 76 40

A speech delivered by Commissioner R. Dave Hall before the 25th Annual Meeting of the Interstate Conference of Employment Security Agencies, October 2, 1961

Mr. President, Members of the Interstate Conference, and Guests:

My friends, the invitation to speak before this group was a surprise to me. But I am glad it came and I am very pleased to be here.

This is a critical time in the life of a program in which we all have a deep and abiding faith and interest. In the next year, the Congress will resolve for us an issue of whether or not the separate states will continue to administer their employment security and unemployment compensation programs.

Will the states continue to fix benefit amounts and the duration of them?

Will they continue to be responsible for financing these programs?

The Congress will also determine whether or not there will be a federally financed program providing for benefits for claimants who exhaust their claims under state laws.

I would not be so bold as to attempt to predict what the Congress might do—nor will I be so naive as to attempt to analyze for you the contents of House Resolution 76 40. I feel sure that everyone of us connected with the administration of the program has seriously considered this bill. In addition, I am sure those of you with other interests in this matter are completely familiar with the provisions of the proposed legislation.

Opposed to Bill

I am opposed to the bill as a member of my state's Employment Security Commission—and I disagree with its provisions as an employer. I sincerely believe it to be a departure from the intent and purpose of the original Employment Insurance Program.

When the system was established, state autonomy in the operation of the federal-state unemployment compensation partnership prevailed. This was despite the stark reality that of all the problems created and nurtured by the depression, unemployment was most nearly the one of national concern. It was rightfully a national problem.

But, instead of a nationwide unemployment compensation program, it was agreed that the individual states, by enacting laws induced by federal legislation, were best suited to alleviate unemployment and to compensate for its burdens in their particular circumstances.

So, individual states were empowered to determine benefit amounts and the duration of them. Substantially, the states reserved authority to determine the manner of raising revenues and also determined eligibility and disqualification conditions.

It was appreciated—and I think this is very important—that wide differences in the types of industry and the conditions which cause unemployment existed in our country, and that these differences should bear on the content of unemployment compensation laws in the various states. These basic differences still exist and they should continue to prescribe the manner in which we administer unemployment compensation.

Those who advocate federal controls contend that the states have failed to provide adequate unemployment benefits. They criticize the system of experience rating as being improper and inadequate to provide sufficient funds to administer and finance unemployment compensation. It is argued that states point to low experience ratings to entice out-of-state employers, and people who favor federal control of the unemployment compensation system contend that this alleged inter-state, tax-rate haggling provides unfair competitive advantages for certain states.

I do not believe in either the credibility or the justice of their arguments and their suggested solutions.

As to their first criticism—an alleged failure by the states to provide adequate benefits—the original state unemployment compensation laws, with few exceptions, provided the benefit amounts and duration recommended by those in Washington who helped shape the Social Security Act. I believe they recommended in good faith what they considered to be adequate benefit payments. I recall very vividly the wonderful work of the late R. L. Doughton, a great North Carolinian who was chairman of the House Ways and Means Committee which had responsibility for working out the necessary legislation for making the Social Security suggestions become real and meaningful.

"Muley Bob"

Representative Doughton was known among his friends—and perhaps his enemies, if he had any—as "Muley Bob." He could be a hard-headed individualist, like a mule, when he thought he was right. And he could be a leader—like the "big mule" of a hard working farm team—when the time came to stand up and be counted.

Mr. Doughton, I believe, was typical of those Members of Congress who, in good faith, recommended the provisions accepted by most of the early participants in the unemployment compensation program. He, among many outstanding men, insisted that the federal government and the several state governments should be partners in the program, with the states being in a better position to handle their own problems for the simple reason that they knew them better and were closer to the people affected.

No one underestimated the seriousness of the obligation given to the states. The truth of this can be realized by answering, for yourself, the question of how well the states have kept their benefits in line with these original federal recommendations. Or, by asking will the average benefit check today buy as much as it did in 1939, the year generally used to measure benefit trends.

My friends, the average benefit check in 1960 purchased 44 per cent more in goods and services than its companion benefit did in 1939. Since that benchmark year, wages have spiralled upward even faster than the cost of living. Yet, since that year average benefit amounts have not only kept pace, but in some instances have exceeded increases in net spendable wages for more than 85 per cent of all beneficiaries.

It is a fact that week-by-week benefit payments today replace as much loss of spendable wages as in 1939. In addition, benefits are paid to many more persons for many more weeks than in the beginning. Now, more than 88 percent of workers are in states where 26 weeks or more of unemployment compensation benefits are available to unemployed workers with substantial work histories.

Here is a striking example of how benefit payments have paralleled the increasing wage spiral:

In 1938, my home state of North Carolina paid 8.2 million dollars in over 1,756,000 weeks claimed. In 1960, my state disbursed over 35.6 million dollars in over 1,788,000 weeks claimed. The number of weeks claimed in the two years are surprisingly close, yet the amount of benefit payments are more than four times as large.

I remember several times in the past when proposals have been made to require all states to pay beneficiaries at least 50 per cent of wages. H. R. 76 40 proposes this again. Why? No state pays less than 50 per cent in terms of spendable wages, and only three states pay slightly less than 50 per cent of gross wages. Eighteen states pay 60 per cent or more.

With this knowledge, I cannot believe that states have failed to provide adequate benefits.

To the question of experience rating, I offer this opinion:

As an employer, I like to believe that the experience rating assigned to my company reflects good working relations with employees. I much prefer this system of making benefits available to the unemployed of my company through a tax rate commensurate with the employee history of the company.

The spirit of the Unemployment Insurance Act is one to prevent unemployment to the greatest extent possible and to compensate for it when it is unavoidable. Under the present system of experience rating—and I consider this very important—employers have the incentive to prevent unemployment.

Actually, it is a double incentive.

Employers have, first of all, the incentive of sound working relationships with employees because employers are rated on the basis of their experience with unemployment. If it is favorable, they receive a relatively low rate. If it is unfavorable, the rate is higher.

Passage of H. R. 76 40 would eliminate the incentive for employer participation at hearings. If the bill becomes law, why attend hearings? Why be concerned with your rate of unemployment? Why strive for good working relationships? Why participate at all in the conduct of the unemployment insurance program when you have neither status nor individuality in its operation, and when your sole responsibility is to pay the tax?

I mentioned double incentive. Under the present system, employers are given the incentive to participate in every phase of the Unemployment Insurance Act. They have the incentive to cooperate in the administration of a clean law—to work with the state agencies—to hope for complete employer-employee participation in every phase of the program.

Employers are now in a position to earn favorable tax rates. We earn lower tax rates through regular and continued employment, and those who advocate passage of this bill cannot be blind to the advantages which exist for the worker under these conditions.

Employers would have no incentive to be concerned with the administration of their employment security law if the present system of experience rating is eliminated—as it would be under H. R. 76 40.

Furthermore, I do not believe that experience rating influences the competitive positions of the various states, for the simple reason that tax rates are not juggled to place employers of one state in a competitively advantageous position with those of other states.

Experience ratings are not common knowledge. They are confidential information, possessed by the state employment security agencies. Beyond the agencies and the individual companies involved, they are almost inaccessible.

Let me cite an example.

I am a member of the North Carolina Employment Security Commission and I am also engaged in one of the most competitive businesses in existence. My competition comes from many places, both within and outside North Carolina. Sometimes my neighbor, who makes exactly the same product I make, is my greatest competitor. I have no idea what his employment security rate may be, and there is no way for me to find it out, short of voluntary disclosure by him.

Therefore, the only advantage I can get is a reduction in my tax rate through full operation and steady employment. This comes through the law and not because of my competitor. And if this is true with my friends and my neighbors, pray tell me how I can find out the rate of a competitor in another state?

It is inconceivable to me that Michigan's automobile industry would move from the nation's highest average overall unemployment tax rate area to Virginia in order to enjoy the lower average state tax rate. Nor can I seriously consider my state's textile industry moving to Virginia, although the average unemployment tax rate of North Carolina is double that of the Old Dominion.

There are too many other influences which determine industry's choice of location—the overall tax structure, the business climate of a community, water, availability of labor and raw materials, plus many other factors. Considering every detail that would influence industrial migration, the amount of unemployment insurance tax would not be a major factor in the final decision.

Dangerous Prospect

Elimination of experience ratings in favor of a more uniform system of taxation is, in my opinion, a dangerous prospect. We have recently had a striking example of the inequities of a nationwide flat tax rate in that temporary extended compensation payments are being financed on a uniform tax basis with the result that 42 states are not only financing their own temporary extended compensation programs, but are contributing, as well, to those of the eight remaining states.

North Carolina, for example, is assessed under the TEC program a total of 19.9 million dollars. Its benefit payments, under the same program, amount of 7.9 million dollars. This amounts to 12 million dollars that North Carolina employers are contributing to unemployment benefit payments outside their state.

This temporary extended compensation program was approved because its supporters waved the flag of nation "problem-ism". Every problem, my friends is a national problem—unemployment, crime, delinquency, highway safety, intolerance, and even those pet problems you hold for yourselves.

But, tagging a problem as a "national" one does not preclude the individual states' abilities and resources—and willingness—to provide and administer a proper solution. Let me turn again to North Carolina to illustrate my point.

In 1921, the North Carolina General Assembly passed a law creating a free employment service in the Department of Labor. Fourteen years later, the General Assembly established a State Employment Service in the Department of Labor to operate under provisions of the Wagner-Peyser Act.

In 1936, a special session of the Assembly enacted the Unemployment Compensation Law of North Carolina. The law also provided for the operation of a public employment service insurance system. These two, considered together, formed the concept of employment security, or security against loss of income through loss of jobs by wage earners.

Significant changes in the law were made in 1947 and again in 1953. In 1955, the state began administering the unemployment compensation program for federal employees. In 1958, it moved ahead to begin administering the unemployment compensation program for former servicemen. In 1961, approval was given to temporary extended compensation benefits, and, also this year, the Assembly amended the law to enable our agency to maintain a closer attachment with the state's labor force.

Critical Level

During my 20 years as a Commissioner with the Employment Security Commission of North Carolina, I have seen every proposed act to liberalize benefits become a part of our Employment Security Law. With representatives of the public, industry and labor, the Commission, I believe, has willingly anticipated the needs of our unemployment insurance program. Even before federal action on the Temporary Extended Compensation program, our Commission had recommended and the General Assembly had passed legislation providing a stand-by program which would extend unemployment benefits eight weeks past our normal period of 26 weeks if the unemployment situation in North Carolina reached a critical level.

Now, I hardly believe North Carolina is unique in this respect.

Each of you could stand where I am and give a quick history of your own employment security agency. If you did I dare say you would either knowingly or unknowingly reflect an irrevocable point—that in every instance the various states have acted to alleviate the burdens of unemployment; that they have not succumbed to depression or recession but have, indeed, administered their policies according to the individual economies and the needs of their unemployed.

Perhaps it would be well for us to consider why unemployment compensation was authorized in the first place.

North Carolina's special Assembly session of 1936 probably spoke the language of all the states when it said this:

"Economic insecurity due to unemployment is a serious menace to the health, morals, and welfare of the

people of this state. Involuntary unemployment is therefore a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burden which now so often falls with crushing force upon the unemployed worker and his family."

This initial enactment to provide security for our unemployed was born of humanitarianism—as was yours.

Have we lost sight of this original concept?

I submit that in terms of financial benefits, the eligible unemployed worker fares better today than ever before.

I also submit to you that we must keep sight of our original concept, the humanitarian aspect of it. We must never reach the point, through either legislation or administration, where it is a lucrative for a person to be unemployed as it is for him to hold a job.

With six per cent of the world's population, working on an incentive basis, we have outproduced the world.

Why should we be willing to adopt any plan which seeks to destroy the foundation upon which our success has been built?

To me, there is a very basic issue involved in Congressional action on H. R. 76 40, but the issue is not in the provisions of the bill. It is an issue which will not affect one of us, a group of us, or a bloc of us. Rather, it is an issue which will affect all of us, including supporters and opponents of the bill—even those who have never even heard of H. R. 76 40.

I believe the issue is **motive**—a desire to move the unemployment compensation program from its rightful place in the various states into the bureaus of Washington. It is another step toward increased centralization of government, toward so-called "Big Government," toward so-called "democracy from the banks of the Potomac."

My friends, I cannot and will not accept the belief that all things, to be worthwhile, must come from Washington. It has never been so and it never will be so.

It is a trespass on our moral law and an insult to our intelligence for anyone to think that it is necessary, at any time, to take away those functions of government which logically are and should continue to be administered by state and local committees. Nowhere else is there anyone more aware of and responsive to the needs of the people. Democracy, as we know it, will surely die when it is taken from the hands of the people.

A former Governor of Alabama, Frank Dixon, pointed this out for all of us some years ago when he said, "Democracy is not a thing of Washington. Democracy is a thing of the crossroads. It is at the crossroads that the people of this nation live. It is at the crossroads that their children are born, that they go to church on Sunday, that the schools are placed, that the average American citizen lives his life, and is finally taken to his fathers. It is at the crossroads that the life of America takes place—not in Washington . . .

"The exercise of democracy is there . . . the base of democracy is there, there it will endure or die. There it is strong, tenacious of life, resistant to degeneration or decay. There it lives, resurgent, determined, and strong."

Tailored for Individual States

My friends, I believe that this program which is designed for the sole purpose of relieving involuntary unemployment should be tailored to fit the industrial and economic patterns of each individual state; that it should be promoted to encourage steady and regular work schedules by employers for all of their employees.

I believe the program should be administered in a clean, fair and impartial manner.

I believe that it should be operated on a sound and prudent fiscal basis which gives adequate temporary protection to the man who needs it, in line with living costs in his area, and which does not place an undue and unnecessary tax burden upon the industry of any state.

I believe that it should be borne in mind that this is an insurance program designed and financed for one purpose and one purpose alone; that under no circumstances should it be considered as or converted into a welfare operation, emergency or otherwise.

I believe that the simple virtues of old-fashioned honesty and integrity should be the guiding principles in designing the law and administering the act.

My friends, these things I believe, and I believe them sincerely.

If they, and the record of my 20 years with the Employment Security Commission of North Carolina, are the brand of a conservative, or as some would put it, a reactionary, I must accept the label.

But, in accepting, I do so with pride—and I pledge to wear that label with honor.

I am very grateful for this opportunity to be with you and for your willingness to share these thoughts with me.

R. DAVE HALL *was appointed to serve as a member of the Employment Security Commission by Governor J. Melville Broughton in 1941. He is the only member of the original Commission now serving.*

His home is in Belmont, N. C. He is president of the Belmont Knitting Company and the Belmont Hosiery Mills, and is Secretary-Treasurer of several allied companies. He was recently named president of the American Cotton Manufacturers' Institute, a very high honor for one of North Carolina's outstanding men. As president of the ACMI, Hall is, according to Modern Textiles" magazine, "the chief delegate and ambassador to the American business community, to the Federal government in Washington, and beyond these, to the whole vast world outside the boundaries of textiles. To take on this assignment means 12 crowded months of travel, meetings, speech making, and perhaps testifying on behalf of American textiles before committees of Congress."

Hall's address, which is printed above, was delivered in Atlanta, Georgia, before members of the Interstate Conference of Employment Security Agencies and was widely applauded by those attending the meeting. Essentially, his speech takes a stand in disfavor of H. R. 76 40, a bill which was introduced before the House this year by Congressman King of California and one which has caused extensive pro-and-con discussion among state employment security agencies.

Insisting that state agencies capably administer their own unemployment insurance programs, Hall believes that Congressional approval of H. R. 76 40 and the subsequent federalization of state-administered programs, would destroy certain incentives among employers. He says that under present policies employers have a vital inducement to impartial and competent administration of their states' unemployment insurance programs. Questioning the motives of those who support H. R. 7640, he explains that state administration of the program is logical, and calls it a "trespass on our moral law" to believe it necessary to take away the states' powers of administration.

He has several points of view. As a member of the state's Employment Security Commission, as an executive of one of our state's leading industries, and as president of the ACMI, Hall is not restricted to any single line of opinion, but rather is cognizant of how proposed legislation will affect every segment of his profession, the Commission, and the welfare of the people of North Carolina.

His comments on "equalization of payroll tax rates" and other references to industries in respect to tax rates were quoted notably in the Wall Street Journal, *October 5, 1961.*

It is obvious that his speech was deeply sincere. We are grateful for his permission to print it. . .EDITOR.

FINANCING UNEMPLOYMENT COMPENSATION IN NORTH CAROLINA 1936-1965

A Study of Long-Range Benefit Financing and Fund Solvency

by Lowell D. Ashby and Sang O. Park

School of Business Administration, University of North Carolina

WITH THE COLLABORATION OF THE

North Carolina Employment Security Commission

AND THE

U. S. Department of Labor, Bureau of Employment Security

Chapel Hill January 1961

In 1951 the Employment Security Commission made arrangements with the University of North Carolina's School of Business Administration to have prepared economic studies in regard to financing unemployment benefits within the state. Dr. Lowell D. Ashby, professor of economics at the University, agreed to prepare these studies and they were published in 1953, 1956, and 1961.

One of North Carolina's most highly regarded economists, Dr. Ashby is 47 years old and has been with the University since 1947. He received his MA degree from the University of Nebraska in 1938 and his Ph.d. degree in Economics from the University of Wisconsin in 1948. During 1953-54, Dr. Ashby studied under a Ford Faculty Fellowship at Harvard.

He was the first Drexel Research Professor at the UNC School of Business Administration in 1959-60. At present he has a Ford Foundation Fellowship at Chapel Hill.

The father of two children, Dr. Ashby is originally from Hastings, Nebraska and is a graduate of Hastings College. Mrs. Ashby, whom he met while they were both graduate students at Wisconsin, prepares "free lance" computer programs for UNC. He and his family reside at an extremely attractive home in the wooded hills south of the University, and it is here that much of his fellowship work is accomplished.

Dr. Ashby admits that the people of North Carolina need a much better supply of detailed economic information about their State, and his work schedule usually runs about 80 hours a week. The following article was written especially for publication in the ESC Quarterly.

UNC - ESC STUDIES HELP PREDICT FUTURE FINANCING OF U. I. PROGRAM

DR. LOWELL D. ASHBY

Professor of Economics, School of Business Administration, University of North Carolina

The recent study of the financial aspects of the North Carolina Employment Security Program represents the last in a series of three.[1] In very general terms, these studies have involved the examination of the adequacy of the financial provisions of the North Carolina unemployment insurance program in the light of the general conditions and prospects of the state's economy. An inevitable by-product of any such study is a liberal education for the investigator concerning the state of his ignorance of the North Carolina economy. Having had this experience on three different occasions, I have become acutely aware of the need to know more about the state's economy and how it functions in a regional and national context.[2] This awareness is but a part of a general awareness among social scientists that lack of reliable basic information is just as detrimental as lack of basic relevant theory.

It is good to know something about a state's economy in terms of its population and income at some past point in time, such as April 1, 1950. It is much more to the point to know the changing course of population, and income and employment month by month and year by year for the past ten or 15 years. It is good to know how the income level of a state compares with that for neighboring states and with the nation. It is still better to know the behavior pattern of the state's income and employment for a given change in key national economic variables. It is very important to know how a state behaved in a regional and national setting over a past period. It is even more important to know the trends of change in its behavior pattern in addition to its recorded past behavior.

Accurate and relevant information of the type suggested above is not easily come by. It is not lying ready-made at hand for the first inquisitive user. Much information is as yet relatively unorganized. Even after laborious organization, the data do not speak for themselves. They must be interpreted. The interesting and hopeful aspect of all this is that information is becoming more readily available. Consequently it is becoming better organized, and as a result is being more sensibly interpreted.

On the national level economic understanding has been greatly enhanced because of great advances in social accounting. The prime examples of such social accounting is the set of national income and product accounts which (theoretically) place each and every transaction in the national economy within a complete and self consistent accounting framework. From this comprehensive accounting system such key aggregates as gross national product, national income and total personal consumption and saving are drawn. This change in the organization of our national economic decision-making data has come largely since 1930, though the basic thinking which made the change possible was the work of many isolated public servants and scholars and started much earlier.[3] Similar income and product accounts for the states would add immeasurably to our understanding of how states as economic entities behave in a regional, national and international environment. The first tentative steps in the direction of such development are already under way.

Another example which can be cited is

that concerning labor forces data. Much progress has been made, since the 1930's, in the direction of a complete and satisfactory national labor force measure. Because of the costs involved, similar comprehensive labor force measures at the state level have not been prepared. The need, nevertheless, remains great.

As of now the only reasonably complete labor force data for states, regions and the nation on a comparable basis appears once in ten years along with the census of population. In the intervening months and years the states have no comprehensive measure of employment, unemployment and non-labor force participation information in relation to relevant population age groups. Here again, then, it is difficult, if not impossible, to relate the performance of a particular state's economy directly to the regional and national environment in which it lives.

While all of the information needed to relate the positions of states in relation to key national aggregates is not yet available, much progress is being made toward intermediate data series. These series are superior to anything previously available on a continuing year-to-year basis.

For example, the state personal income series of the United States Department of Commerce is now well established and represents a prime index of state change and development. In this case the personal income estimates for states are directly comparable to the estimates of personal income in the national income and product accounts. As other national series are prepared on comparable bases for states, the objective of a comprehensive set of income and product accounts for states is advanced. Such a set of accounts will ultimately do much to illuminate the economic interactions of states.

Another example is the current Employment Statistics program of the United States Department of Labor. This program was prepared on bases comparable as between states, regions and the nation, estimates of employment by major industry division for the years 1939-59. These estimates are not comparable to the basic labor force series of the United States Bureau of the Census' Monthly Report on the Labor Force (now prepared for the Bureau of Labor Statistics). Nevertheless, they represent the first set of data comparable as between states on a monthly basis.

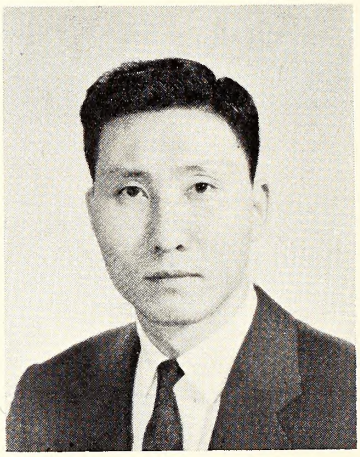
Though it may appear strange, the mere existence of the state employment security programs has made possible the two examples of state data series cited. For example, much of the high quality of the Department of Commerce's estimates of personal income for states is traceable to the high quality of its industrial wage and salary components. These, in turn, are traceable to the accurate record made available by the various state employment security programs. Likewise, the current Employment Statistics Program of the Bureau of Labor Statistics depends upon bench mark data supplied by reports from establishments under state employment insurance programs. Thus in some measure the greater understanding of economic position and tendency which state employment security programs demand is arriving because of the mere existence of state employment security programs.

The foregoing are but a sample of the by-product uses of employment security data which help in the understanding of the relative positions and rates of change and interactions among the nation's regions and states. A more direct use is made of the time series known as "insured unemployment." This employment security data series is widely and intensively used, since no other month-to-month measure of unemployment for major cities, states and regions exists.

When attention is turned from states in their external relationships toward a better understanding of their internal structure, the value of employment security data appears even greater. What is known today of the relative standing of local areas in terms of personal income and employment is largely attributable to the data available as a by-product of the employment security programs of the several states. For example, county income estimates were prepared by states which participated in the Conference on the Measurement of County Income starting in 1950. In some seven southeastern states this work has been carried on ever since in a more or less independent fashion. Employment data was and remains very central to these enterprises. As another example, I can cite a recent experience in the estimation of county employment for the 146 counties of North and South Carolina for the years 1947-57.[4] This enterprise would have been impossible without the direct cooperation of the statistical staffs of both the North and South Carolina agencies. The results of this particular study have enabled examination of the industrial employment structure of a 16-county contiguous area which lies across the border between the two Carolinas. The data developed enable the comparison of the employment structure of this area with other areas of the two Carolinas and with other states and regions.

In summary, while Employment Security Program data are contributing to a badly needed geographical enrichment of national data series, they are also making the major contribution to the understanding of relationships which obtain among local areas in terms of income and employment. The record-keeping aspects of the Employment Security Program may ultimately have an economic and social impact second only to its primary function of alleviating the distress of the unemployed.

The western nations constitute a "record-keeping" civilization. This western culture has called into being the capacity to store a million "bits" of information on a square inch of magnetic tape. It may be taken as certain that such a culture will steadily raise the qualitative standards by which it judges social and economic data. What passed for acceptable bases for state policy-making a few years back are no longer acceptable. What passes for acceptable bases today may not be acceptable tomorrow. In North Carolina or any other state is to maintain its own sense of direction and identity in the making of policy, it must look increasingly to high quality record keeping and reliable information. State Employment Security Programs have established a pattern of leadership in this vital area. Demands both qualitatively and quantitatively for both administrative and secondary uses of these records will increase in the future.



Sang O. Park

. . . assisted Dr. Ashby in the preparation of the "Financing Unemployment Compensation in North Carolina" report. Park was studying for his doctorate at UNC with the subject, "How to Improve UI Financing." He has completed his course studies and is preparing his thesis, emphasizing the methods of UI financing.

[1] Studies were published in 1953, 1956 and 1961. The last study was Lowell D. Ashby and Sang O. Park, *Financing Unemployment Compensation in North Carolina 1936-1965. A Study of Long-Range Benefit Financing and Fund Solvency,* Chapel Hill: School of Business Administration, 1961.

[2] A tentative inventory of the current state of knowledge concerning the North Carolina economy is offered in Lowell D. Ashby, *The North Carolina Economy, Its Regional and National Setting With Particular Reference to the Structure of Employment,* Chapel Hill: School of Business Administration, 1961.

[3] The history of the development of national income concepts and social accounting, starting in the 18th Century is offered in Paul Studenski, *The Income of Nations, Theory Measurement and Analysis, Past and Present* New York: New York University Press, 195

[4] This study was undertaken as part of the Urban Studies Program of the Institute for Research in Social Science of the University of North Carolina.

U.I. PROGRAM FINANCED THROUGH "STABLE BUT MODERATE" TAX RATES

BY HUGH RAPER

Director, Bureau of Employment Security Research

Unemployment insurance taxes on payrolls are collected from employers in every State. Preliminary estimates of the 1961 rates show a wide variation in the average rate applicable to payrolls. The average rate of payment applicable to the taxable portion of wages paid varies from .6 of one per cent in the state with the lowest rate to 3.2 per cent in another state which has the highest average rate.

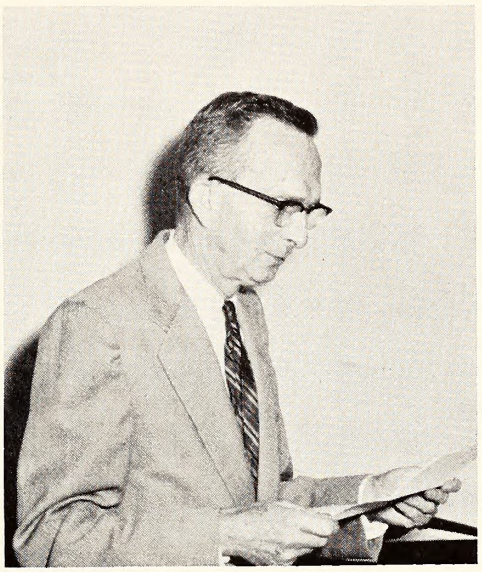
Considering all states, the average employer in the nation will support the state unemployment insurance program by a 2.1 per cent tax on the taxable portion of his payrolls.

In North Carolina, the average employer's tax rate is 1.5 per cent, roughly 29 per cent less than the rate applicable to the average employer's payroll in the nation.

Expressed in dollar terms, what is the significance of these rate variations? If we consider the annual contributions required of an employer who employs 100 workers with each worker having an annual salary of $3,000 plus, using the average rate assigned in the selected jurisdictions, we would have unemployment costs with the following variations: (See Chart)

Since self-evaluation may not be becoming of the Commission, or one of its representatives, it seems enough to say that for North Carolina's costs to fall well below the national average indicates that the Commission's approach to program financing merits attention of those affected by it, and by others as well.

What accounts for these variations in unemployment insurance program costs among the states? Frankly, the answer to this question may, with respect to the 51 jurisdictions having unemployment insurance programs, actually involve a dozen different factors and hundreds of different combinations of the dozen factors. To leave, however, an impression that program financing is not subject to considerable direction and a marked measure of control would be misleading. An understanding of the factors contributing to program costs is essential. Likewise, careful study of these cost factors permits a planning of program financing which generally obviates drastic variations in year-to-year rates in a state.



". . . why these variation?"

Area or State	Average 1961 Applicable Rate (%)	Annual Contributions Required (per 100 workers)
All States	2.1	$6,300.00
Lowest Cost State—Iowa	0.6	1,800.00
Highest Cost State—Pennsylvania	3.2	9,600.00
North Carolina	1.5	4,500.00

". . . may not be becoming . . ."

In 1951, the Employment Security Commission, recognizing its responsibility to maintain a soundly financed unemployment insurance program, decided that steps should be taken to develop a long-range, actuarially sound financial structure. Reliance upon year-to-year rate adjustments in terms of a short term analysis of the financial conditions brought with it dangers of drastic rate variations to maintain adequate reserves to meet demands during period of high expenditures; i.e., times of recession or of frequent but lesser economic downturns.

The Commission sought to develop a financial policy which, based upon the best possible estimate of potential benefit outlays determined on the basis of a careful analysis of the North Carolina economy, would establish an actuarially sound financial structure. It desired a financing system characterized by a rational relationship between estimated benefit disbursements, the tax rate structure, and the resulting level of income and the size of the reserve.

UNC Cooperation

To accomplish this goal the Commission sought the assistance of the School of Business Administration of the University of North Carolina, and with technical assistance from the Bureau of Employment Security staff from Washington, developed an approach to be adhered to in making a thoroughgoing study of factors in North Carolina's economy contributing most directly to the actual or potential unemployment insurance program cost.

". . . recognizing its responsibility"

The responsibility for carrying on the study within the School of Business Administration was given to Dr. Lowell D. Ashby, Professor of Economics. The original arrangement called for, as a starting point, a monograph dealing with the North Carolina Economy. This basic study of the state's economy was

—See STUDIES, Page 70—

N. C. CIVIL DEFENSE

Suddenly, A New Awareness From Apathetic Public

By Sarah Weaver

Public Information Officer
Office of Civil Defense

When President Kennedy assigned major Civil Defense responsibilities to the Department of Defense July 20, 1961, he officially made Civil Defense the fourth arm of national defense—equal in importance to military services. Shortly thereafter, he told American citizens in no uncertain terms about the serious dangers that threaten this nation.

This positive action by the Nation's Chief Executive automatically removed two big deterrents to the building of non-military defenses—the lack of forceful leadership at national level and the impenetrable wall of public unconcern at all levels.

Overnight, an upsurge of public interest literally snatched away the "bushel" covering Civil Defense development and subjected its readiness potential to spotlight scrutiny. The Chief Executive's action involved considerable realignment of Civil Defense at national level but left primary responsibility for the greatly expanded program with the President.

The changes place the Secretary of Defense in charge of all federal programs for protection of the civilian population against nuclear attack. These include: the nationwide fallout shelter program; the warning and communications system; the program to assist state and local government in such post-attack community services as health and sanitation; maintenance of law and order; fire fighting and control; debris clearance; traffic control and provision of adequate water supplies. The resources of the military will be available wherever it is deemed advisable or necessary to use them.

Under the Department of Defense, the responsibility for a national emergency medical stockpile is delegated to the Department of Health, Education and Welfare. By the same authority, responsibility for a national food stockpile is delegated to the Department of Agriculture.

In re-defining the role of the Director of the Office of Civil and Defense Mobil-

Official OCDM Photo

ization (now called Office of Emergency Planning), the Chief Executive retained former OCDM Director Frank B. Ellis as top Civil Defense advisor and "overall coordinator," coordinating the Civil Defense operations of all executive departments. He is also responsible for planning for continuity of state and local governments, natural disaster relief program, defense mobilization and the stockpiling of strategic and critical materials.

The Chief Executive has assigned these Civil Defense responsibilities to those departments and agencies of government best equipped to discharge them. He and the Secretary of Defense both emphasize that the business of preparing our nation's homefront to meet and survive nuclear attack remain civilian in nature and leadership.

The foregoing changes, now under way at national level, do not effect the structure of state and local Civil Defense organization. The Governor of every state is still responsible for the Civil Defense of his state. The governing authority of every county and every municipality is still responsible for Civil Defense within their jurisdiction.

The searching review of the nation's preparedness touched off by the President's action discloses some interesting facts with respect to North Carolina.

The preparedness status of our state stacks up well in comparison to other states. Non-military defense in this state is considerably advanced beyond any state in the southeastern region and among the most advanced in the entire nation.

As the State Director points out emphatically, this does not mean that North Carolina anywhere near approaches the state of readiness that must be achieved if we are to sustain ourselves and survive enemy attack. What it does mean is that all preliminary hurdles have been cleared. Basic groundwork is laid on a firm foundation in such complete accord with national plans that North Carolina Civil Defense is in shape to forge ahead under the President's greatly expanded program with no loss of valuable time required to adjust any phase of the state's program.

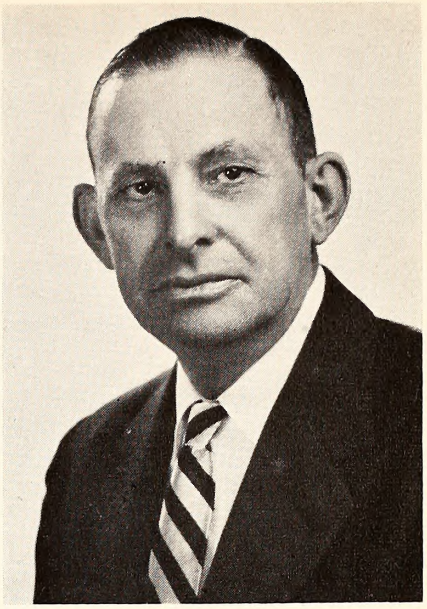
North Carolina's comparatively advanced non-military defense can be credited in large measure to the foresight of the state's government during the last decade. Civil Defense in this state was established immediately after the United States Congress passed the Federal Civil Defense Act of 1950, Public Law 920. The State Legislature of 1951 enacted the North Carolina Civil Defense law which has been amended by subsequent legislatures to meet changing needs. Four successive administrations have permitted the program to progress continuously, hampered only by public apathy and inadequate federal level support.

The scope of Civil Defense responsibility, as established by Federal and State Law, is enormous. Its all-encompassing program is difficult for the average citizen to comprehend without more intensive concentration that he is willing to devote to understanding it.

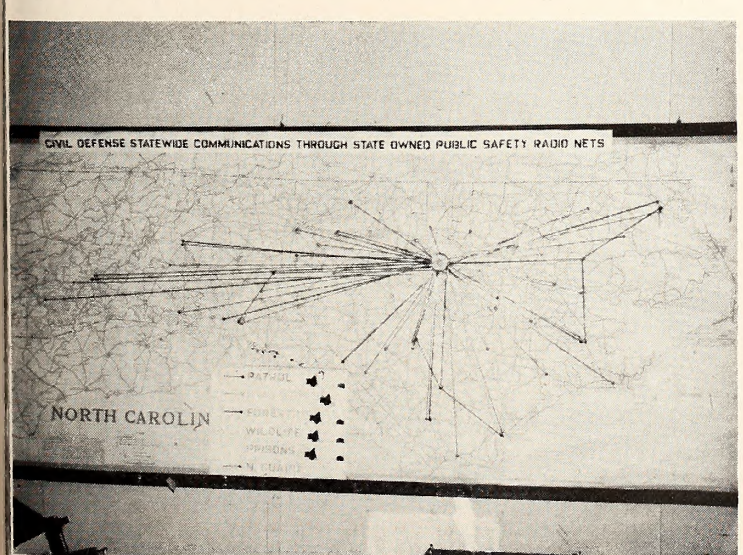
Even the sketchiest report of what the North Carolina Civil Defense law provides and what state and local Civil Defense agencies have accomplished towards readying the state to cope with possible nuclear attack is too extensive to cover here. Nevertheless, fundamental groundwork is laid for it in its entirety. Substantial progress has been made towards accomplishing most of it and many phases of it are well along towards completion.

In order to substantiate the foregoing observation, several of the basic provisions are selected as being of general interest and progress is reported as disclosed by a recent review of our state's status shortly after the President's speech.

The Law provides for the establishment of the State Agency within the executive branch of government and an Advisory Council comprised of heads of those departments and agencies whose services would be required in disaster operation, with the Governor as Chairman. It authorizes organizations for Civil Defense within all political subdivisions, gives emergency powers to the Governor and to executive heads of local



MAJOR GENERAL EDWARD F. GRIFFIN, Director, N. C. Civil Defense Agency, was appointed by Governor William B. Umstead, March, 1954. Joining the National Guard as a private in 1923, he rose in rank and subsequently commanded the 113th Field Artillery during WW II. He was promoted to Brig. General in 1952, and as Maj. General served as commander of the 30th Infantry Division of the N. C. National Guard. He served as president of the National Association of State and Territorial Civil Defense directors. In that capacity he served as consultant and advisor to the Civil Defense Council of NATO in Paris, October 24-26, 1960.



One of the most vital of the 27 emergency services established under the Survival Plan is Communications. Photo on the left spots the locations of state-owned public safety radio stations. On the right, members of the emergency service display the various methods of communications which will be used in case of enemy attack . . . the press, wire services, television and Conelrad radio. These pictures were taken at state headquarters during a test exercise.

government. It decrees that Civil Defense functions of the state be coordinated to the maximum with those of federal government and private agencies of every type in order that most effective use of all existing manpower, resources and facilities may be made in dealing with any disaster that may occur. These requirements were met with dispatch.

The State Civil Defense Agency was established in July, 1950. It is a small, coordinating agency operating under a full-time director appointed by the Governor. Major General Edward F. Griffin, who has served in that capacity since 1954, is one of the most experienced state directors in the nation. He is a grass roots lawyer, experienced in state and county government and has had extensive military experience in combat and in peacetime.

Additional employees of the Agency have increased from four in 1950 to 31 at the present time. This includes directors of the area offices which were opened the first of this year when federal funds became available on a matching basis for personnel and administrative purposes. At that time, the state was allocated $113,000 by OCDM under Public Law 85-606. Fifty-four thousand dollars of the allotment was passed on to match funds of local organizations. The average annual budget of the State Agency during the last biennium was $86,400.

Primary responsibility of the Agency is to develop plans and operational capability to meet war-time disaster and to provide the best use of the state's resources in emergencies resulting from peacetime disasters. These plans have been prepared and largely developed. Their operational capability has been tested in periodic test exercises and numerous natural disasters. They are continually revised in the light of changing conditions and as deficiencies are discovered during practice runs.

North Carolina was among the first in the country to undertake and complete the preparation of an over-all State Survival Plan, Survival Plans for each target area, and a model plan for non-target counties to follow in preparing their plans. The North Carolina Plan has been used by many other states as a model. It was completed in 1958, after two years in the making, and transmitted to governing officials of all counties, state agencies, departments and organizations involved. Copies are also on file in every County Clerk's office and every county library.

They were accepted by the state's Chief Executive as being practical and realistic, based on utilization of existing facilities and services within the government structure at all levels.

Twenty-seven emergency services are established under the Survival Plan, each headed by the head of a State Agency, department or organization performing service of a similar nature in peacetime. Each Service Chief is a member of the

William L. Bynum (left) supply officer with the Civil Defense Agency, inventories equipment obtoined by motching funds by the Lee County Civil Defense orgonizotion ot Sanford, N. C. L. L. Beckhom (center), county CD director, looks on. The employment of a full-time supply officer for Civil Defense gives mare positive control over agency equipment ocquired under matching funds. North Corolino has been allotted $113,000 by the OCDM under public law 85-606. Of this allotment, $54,000 hos been passed on to motch funds of local organizations.

Measures necessary to modify the Cathedral Lotin high school ond grommor school auditorium i Roleigh to provide follout protection for students are discussed by (left to right): Robert C. Browning, consulting engineer for the school; Monsignor Herbert Harkins, school rector; Archie W. Green, Jr. CD engineer; ond Bishop Vincent S. Woters of the Roleigh Diocese. Green is frequently called in b individuols or groups to provide technical advise on shelters ond reloted matters.

Archie L. Disher, (left) CD director far the Lexingtan-Davidsan Caunty area, answers questians an civil defense far Lexington radia statian WBUY. The questians were phaned in by listeners. Disher is a strong believer in good radia communicatians. With him is assistant statian manager Edwin Puller.

SERVICE	ASSIGNMENT
Attack Warning	Commissioner of Motor Vehicles
Communications	N. C. Civil Defense Agency
Engineering and Public Works	Director of Highways
Emergency Information	Governor's Press Staff
Manpower	Employment Security Commission
Fire	Commissioner of Insurance
Health Protection	State Public Health Director
Emergency Medical Care	President, State Medical Society
Welfare	Commissioner of Public Welfare
Police	State Highway Patrol
Religious Affairs	N. C. Association of Rabbis
	N. C. Catholic Churches
	N. C. Protestant Council of Churches
Radiological Defense	State Public Health Director
Rescue	Director of Highways
Transportation	Chairman of Utilities Commission
Supply	Commissioner of Agriculture
Emergency Training	Superintendent of Public Instruction
Facilities Protection	Commissioner of Labor
Warden	Director of Veterans Commission
Economic Controls	Director of Administration
Emergency Mortuary	Burial Association Commissioner
Administration	Director of Personnel Department
Continuity of Government	Secretary of State
Legal	Attorney General
Intelligence Section	State Bureau of Investigation
National Guard	Adjutant General
Correctional Institutions	Director of Prisons
Mobile Support	Director of Highways

North Carolina Civil Defense Advisory Council. Each one has accepted the responsibility assigned to him by the Governor to prepare his agency, department or organization for emergency action and to coordinate the service into the overall non-military defense operation. Each service has a Civil Defense liaison officer within the State Agency.

All of emergency services are on the road to establishment. Some are further along than others, with more coordination effected. Four, which we will discuss as examples, are Manpower, Communications, Alert Warning and Radiological Defense.

Manpower Service, responsibility of the North Carolina Employment Security Commission, has held eight area conferences in which Employment Security, County Health, Selective Service and Civil Defense employees were briefed on Manpower plans. The section of the Survival Plan which deals with that service has been widely distributed. Further, Employment Security has published a Defense Readiness Handbook which has been distributed to Civil Defense Directors and Employment Security offices to supplement the Annex. Employment Security has named a full-time Civil Defense Officer, with the title "Defense Readiness Coordinator." This position is established at national, state and local levels. The State Coordinator is Mr. Edward Hyatt. At this time he is preparing a training manual to be used for instruction and training of Employment Security Commission employees for the Emergency Manpower Service.

Radiological Defense Service is assigned to the State Department of Public Health which also has responsibility for the Health Protection Service.

Dr. William L. Wilson of the State Board of Health and his committee work closely with the State Civil Defense Agency in developing this service.

Radiological defense preparation conducted by the Agency with approval and cooperation of the Radiological Defense Committee, includes training of more than 150 instructors in monitoring and approximately 1500 operators of monitoring devices. Twenty training sets of radiation detection instruments, valued at $38,475 and 26 practice exercise equipment sets, valued at $5,268, are being used in this state for training operators.

Four hundred and twenty kits of instruments, valued at $59,812, are on loan to public and private high schools and colleges for training purposes. This program's primary purpose is to have these instruments distributed geographically for ready availability in any emergency. Radiation-source sets of Cobalt 60 in use in this state for calibration of instruments and training are valued at $5,000.

Instructor training courses are now offered for credit by Western Carolina Teachers College and Lenoir Rhyne. North Carolina State College and East

Carolina College offer it in extension courses. Appalachian State Teachers College expects to offer it at an early date.

Operational monitoring kits of instruments to be used by monitoring stations established throughout the state will increase the overall value of radiological defense equipment by $7,500.

A radiological maintenance shop, operated by the State Agency to check, calibrate and repair radiation detection instruments, has processed more than 2,500 instruments to date.

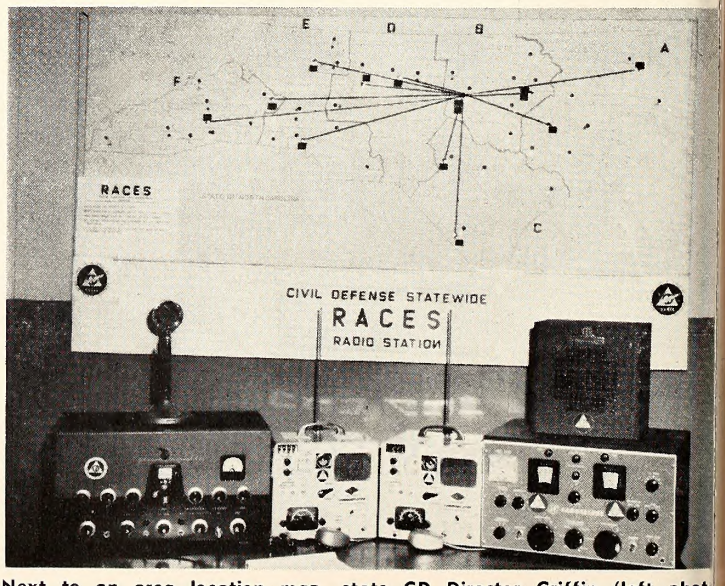
Alert Warning Service is assigned to the Commissioner of Motor Vehicles. Coordination and readiness are excellent. Word of impending attack can be received and relayed to every section of North Carolina within five minutes after the button is pushed at National Warning Center. The only blank spots—and there is no logical reason for these to exist—are counties and towns which have neglected to equip some local agency to receive and monitor the Civil Defense Alert Warning Net. Through Civil Defense efforts, federal funds are available to match local funds in securing necessary equipment. Extensive use has been made of the funds. More than $3½-million worth of warning, communication and engineering equipment is now installed throughout the state.

Twelve warning points on the National Warning System are established, including the State Highway Patrol Radio System headquartered outside Raleigh, which is the Civil Defense Radio Warning Net. Other spots where equipment on the National Warning System are installed are Asheville, Charlotte, Winston-Salem, Greensboro, Salisbury, Durham, Fayetteville, Wilmington, Goldsboro and Elizabeth City. These afford round-the-clock contact through leased telephone lines with the National Warning Center —a part of the surveillance system of Air Defense Command and Department of Defense. Seven target cities have air raid warning systems. Twelve additional locations have outdoor warning devices. All of these systems are tested regularly

Communications Service is assigned t the State Civil Defense Agency. A sys tem whereby communications will b possible between the state and Federa government, between the state and it political subdivisions—under attack con ditions, or at any time when norma means of communications are curtaile or inoperable—is well established. Na tural disasters and practice alerts hav already proved its practical use and po tential value in national disaster.

This system is based on the facilitie and equipment of the State Civil Defens Agency and other agencies and depart ments—greatly expanded and improve These agencies and organizations whos communications are coordinated into th Civil Defense Emergency Communica tions are: Highway Department, Stat Highway Patrol, Division of Forestry State Bureau of Investigation, Wild Lif Resources Commission, Prison Depart ment, National Guard Disaster Radi Net, Radio Amateur Civil Emergenc

Col. Wilbur Griffin (abave), CD training officer, conducts a class in radiological monitoring. Picture in the right corner shows Herman Sisk, Area CD director for Wadesbora-Anson, being informed on local Civil Defense communications by Raymond Northcutt, director of the city-county organization.



Next to an area location map, state CD Director Griffin (left phot lectures on the operation af the Agency within North Carolina. Pho above shows the layout and equipment of RACES, the Radio Amateur Ci Emergency Services, part of the state's radio communications netwo which is so essential ta Civil Defense operatian. RACES includes more th 1500 radio hams about the state.

arl L. Underhill (left), Raleigh, receives advice from Archie W. Green, Jr., CD engineer, an how ta uild an entrance baffle into his recently constructed abave-graund shelter. Built mastly by Underhill's 4-year-ald son, the shelter with its facilities cost about $1000 with telephane and built-in well.

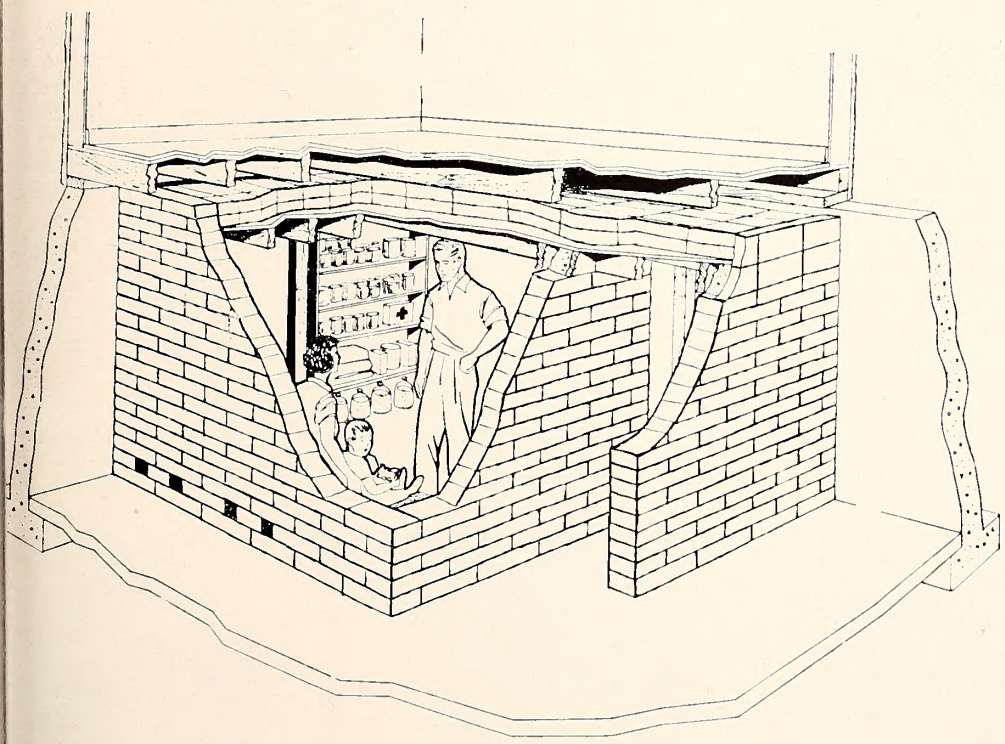


Figure 7—Basement Concrete Block Shelter

Solid concrete blocks, relatively heavy and dense, are used for this shelter. These blocks are sold in various sizes so it seldom is necessary to cut a block to fit.

Solid blocks are recommended because hollow blocks would have to be filled with concrete to give effective protection.

Bricks are an alternative. If they are used, the walls and roof should be 10 inches thick to give the same protection as the 8-inch solid concrete blocks.

cluded in civil defense booklets are plans far several different types af fallaut shelters. This drawing picts the basement shelter, prabably the most easily available ta the average North Caralina family.

Services (RACES), North Carolina Wing of Civil Air Patrol, Military Affiliate Radio Commercial Telephone, Telegraph and Teletypewriter Service. Civil Defense matching funds have played a large part in procurement and installation of much of the equipment that was required to bring this service to its outstanding operational potential.

In RACES alone, more than 1500 radio hams are involved in a state-wide emergency network. Thirty are assigned to the Communications Center at the State Agency.

A mobile communications center is practically completed. Two radio-equipped buses with emergency power units are prepared for operation. This center ties together the radio networks of the State Civil Defense Agency, other state departments, commercial and volunteer systems and can provide communications contact with the Federal Government. It can be moved readily to any place necessity demands.

In all sections of the state there are many firmly established, well functioning county and city organizations. These are increasing in quality and quantity at a steady pace. Every county has a director, as have more than 300 towns.

Thirty-five emergency, 200 bed hospital units are stored at strategic points to serve the target areas of the state in case of attack. These units are complete in every respect. Professional medical teams from the target areas are prepared to man them when necessity arises.

In addition, medical supplies, valued at more than $75,000, are stored in the maintenance shop of each Highway Division and at state operational headquarters. At each storage point there are 30 kits, each containing supplies to care for 2,000 casualties.

The Emergency Medical Service is set up under the North Carolina Medical Society. Most of the major hospitals in the state have disaster plans. Many have conducted test exercises.

Two special programs which the State Agency has promoted for years gained terriffic momentum with the President's talk to the nation on the Berlin crisis.

The Home Preparedness Program, started in 1951 and designed to alert individual families to their responsibility to prepare for their own survival for a period of two weeks in case of enemy attack, accelerated by leaps and bounds. Millions of public leaflets and pamphlets have been distributed since the program started. Two-hundred thousand complete kits, listing 20 simple precautionary measures and the instructive "know-how" for each step, have been distributed to all segments of the state's population in the last 12 months. Demand for these since July 20 has more than quadrupled. Home protection training courses are being conduced all over the state.

One of the largest chains of super markets is featuring family emergency food supplies in store displays.

—See DEFENSE, Page 43—

ESC PROGRAM HELPS YOUNGSTERS FIND RIGHT NICHE IN BUSINESS WORLD

Reprinted from *The Asheville Citizens Times*, by LEWIS GREEN, Staff Writer

Each spring the high school doors swing open, and figuratively speaking, a mass of raw and untrained labor is discharged upon the labor market.

Some seek employment for the summer and then enter college. But a majority of these graduates desire permanent employment.

In the old days, they sought training in any field that was open to them. This was a hit-or-miss proposition as far as natural inclinations were concerned. Some of these were to find weeks, months or years later that the field they had entered was not what they wanted to do with their lives at all.

Having invested, in many cases, years in their employment, they are faced with the choice of starting anew in a different line or remaining where they are.

Thanks to a penetrating and far reaching program utilized by the North Carolina Employment Security Commission, most of today's graduates are not on the horns of this dilemma.

A testing and counseling program administered by the Asheville office of the ESC in Buncombe and Madison Counties enable these youngsters to discover their natural inclinations, abilities and limitations, in addition to learning more about their own personality make-up. Now they can enter the labor market reasonably certain of their calling in life.

The Asheville ESC office manager, B. C. Wilson, sends three trained men out each fall to begin testing the senior students in Buncombe and Madison schools. After the testing is completed, the students are interviewed and counseled on an individual basis.

In charge of testing and counseling is Philip Penland, counseling specialist in the Asheville office. He is assisted by two men who are well trained in testing and counseling also.

They are Andrew C. Carter and Lee Bishop, also of the Asheville ESC office.

Penland said that following the fall and winter activities, the students are called into his office in the spring for a closer inspection of the needs of the labor market.

Then an Employer Relations Representative contacts prospective employers to place the student.

"We must determine what they are best suited for," Penland said, "and in counseling we try to impress upon them that they have learning abilities in certain fields."

"However, we are very careful not to overemphasize ability as opposed to interest. We never tell them they can't do something, as far as the type of work is concerned.

"We tell them where their ability lies and where they would fit, but they have to make the final decision as to what direction they want to take," Penland said.

Penland is enthusiastic about the tests, which were developed by the Federal government through research and expense reaching into many thousands of dollars.

The General Aptitude Test Battery which is used by the ESC has been proven in usage on actual on-the-job situations and found to be worthy.

The series can enable an experienced counselor to pick out specific inclinations. There are over 600 different job selections, and show a cross section of all jobs which grow out of the selections.

Types of work shown on the tests are: Public contact, crafts, service, professional, clerical, etc. Each of these types break down into specific job areas, and each area can be broken down further.

During the testing, the counselor helps the student to analyze his learning ability and delves into seemingly unrelated areas of his life. His school likes and dislikes are discussed, along with personality traits and past work experience.

"Mostly we try to get their feelings and emotions about their experience in work and study," Penland said.

"We help students analyze jobs which would be suitable in view of his own analysis of personality," Penland said emphasizing that it was the students own analysis, not the counselors'.

"We check them on paper work, numbers, production work, finger dexterity and other facets.

"This narrows jobs down to a study within the limits of the students capabilities," Penland explained.

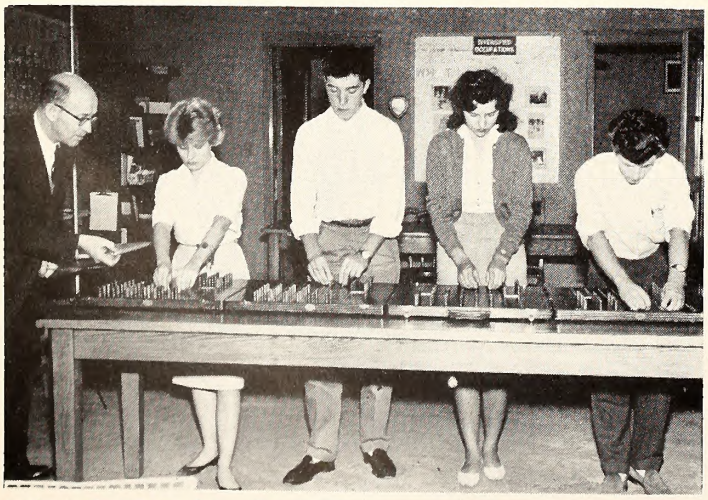
He also said that he encouraged them to get out and take a look at people working on the job they are interested in and to talk with those workers.

"We attempt to supplement work which guidance teachers do in the school with these students. We aren't trying to take anything away from the schools but we can see the labor market better here at the employment office," Penland said.

The service is not extended to prospective college students. That is considered a job for the colleges. Many of the students who are served by the ESC are not ready to enter the labor market and following the testing they sometimes go on to college, trade schools, barber colleges and beautician schools.

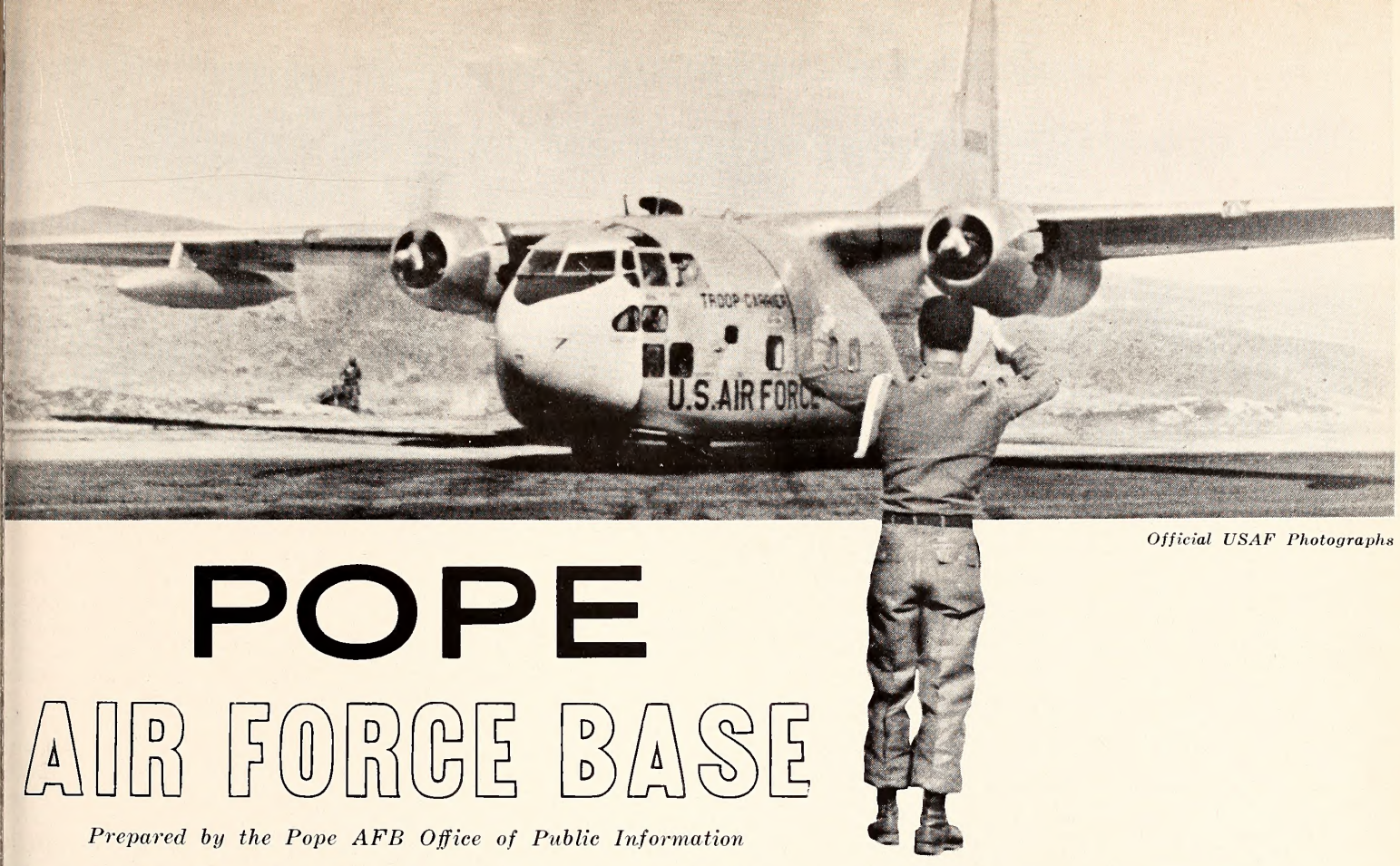
Penland says that so far 518 students have been tested in Buncombe and Madison high schools, and that before the year is out over 650 should have had the tests and counseling service.

And so, if you drop into a high school in the area and see seniors toying with blocks, pegboards and other juvenile appearing apparatus, don't be alarmed. They have not reverted to the games of childhood. They are in the process of finding out what their life's work is to be.



Andrew Carter explains the testing process to four students of Lee Edwards High School in Asheville. They are (L to R): Anne Bradford, Dan Reynolds, Brenda Reece and Billy Farmer. Working with peg boards, students compete against the stop watch. This is part of the General Aptitude Test Battery administered through local ESC offices.

Lee High School students Jimmy Janes, Ray Epley, John Dickinson, Roger Durner, Geraldine Witches and Johnette Davis (L to R) use smaller peg boards to test dexterity. Lee Bishop of the Asheville local ESC office keeps time. It is estimated that over 650 Madison and Buncombe county students have taken the tests and counseling service.



Official USAF Photographs

POPE AIR FORCE BASE

Prepared by the Pope AFB Office of Public Information

Pope Air Force Base, North Carolina, a key Tactical Air Command troop carrier facility, has a distinguished 41-year record of service to the nation and contributions to the development of U. S. air power.

Situated some 12 miles northwest of Fayetteville and adjoining Fort Bragg, the base today is home of Ninth Air Force's 464th Troop Carrier Wing (Assault) whose primary task is support of U. S. Army airborne forces.

In attaining its status as one of the senior U. S. air bases, however, Pope's functions have ranged from artillery observation and reconnaissance in the 920's and '30's to airborne training and support which featured World War II activity at the base. Nearly every type of Army and Air Force aircraft, from the World War I 'Jenny' and balloons, through C-46's and gliders, to today's big C-123, C-124, C-130 and C-133 transports have operated from the base at various times.

Primary aircraft at the base now is the Fairchild-built C-123 "Provider," a twin-engined assault transport noted for its ability to take off and land in comparatively short distances from semi-prepared airstrips.

Officially organized on April 1, 1919, Pope Air Force Base is named for Lt. Harley Pope, a World War I flyer who lost his life in an air accident near Fayetteville about three months earlier.

Pope's airfield and grounds consist of a little over 1700 acres of land, mostly Army-owned, while another 290 acres are leased and used for radio and other communications facilities. The base has more than 203 buildings and structures, about 75 of which are of a permanent type.

To avoid duplication of effort and to save manpower, Pope AFB receives, on a reimbursable basis, extensive support and services from Fort Bragg under cross-servicing agreements. These include power supply, communications and medical facilities, commercial transportation, commissary and exchange privileges, recreational, educational and certain other services. In addition, Pope personnel are allotted a share, based on respective military strengths, of family housing available at the Army post.

The 464th Troop Carrier Wing, main unit at Pope AFB, is led by Brig. Gen. Clyde Box, a 49-year-old Texan highly experienced in the field of air transport.

The troop carrier wing is the descendant of the 464th Bomb Group which

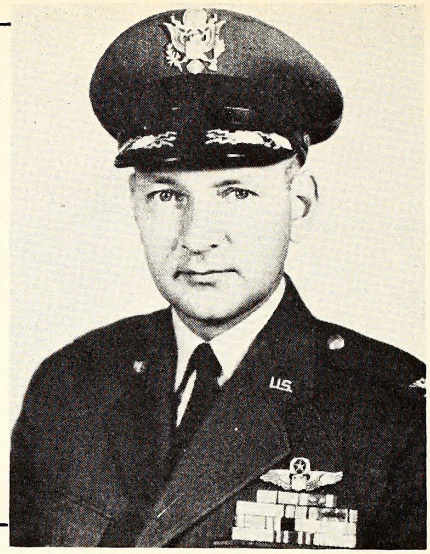
BRIGADIER GENERAL CLYDE BOX took command of the 464th Troop Carrier Wing (assault) at Pope Air Force Base, Fort Bragg, N. C., in July, 1959. Born in 1912 at Nevada, Texas, he was appointed an aviation cadet in 1936, entering flying school at Randolph Field, Texas. In 1937, he was awarded pilot's wings and commissioned a second lieutenant in the US Army Air Corps. In 1940, he piloted the famous B-17 bombers and later ferried Lockheed bombers to Canada.

When the Japanese attacked Clark Field in the Philippines in December, 1941, he was stationed there as a squadron operations officer. He withdrew to Bataan and subsequently to Mindanao. During the War he saw duty in China, India, and Burma.

In 1948, General Box attended the Air War College. His later assignments include duty with the Special Weapons Command, with the Secretary of the Air Force, as commander of the 60th Troop Carrier Wing at Rhine-Main Air Base, Germany, and as commander of the US Air Forces in Europe's 322nd Air Division with headquarters in France.

COLONEL GEORGE O. McCAFFERTY, Commander of Pope Air Force Base, is originally from Worchester, Massachusetts, and graduated from Holy Cross College in 1940. He immediately joined the flying cadets and in 1941 was commissioned a second lieutenant. During early 1944, he was appointed commander of the 379th Bomb Squadron in England, and leading his squadron of B-24 heavy bombers, he participated in 19 raids over Germany. In a raid over Magdeberg in 1944, he lost his aircraft from enemy fire and after parachuting was taken prisoner by a German patrol. He was in a prisoner-of-war camp near the Baltic Sea until released in 1945.

Since the War, Colonel McCafferty has served in Okinawa and with the Central Intelligence Agency in Washington. He has attended the Air War College and later served as commander of the Evreux-Fauville Air Base in France. In July, 1960, he became a special assistant to the commander, 464th Troop Carrier Wing, Pope AFB, and in October, 1960, was appointed base commander.



flew B-24's in southern Europe during World War II and won Distinguished Unit Citations for two of his missions. The bomb group was disbanded in July 1945, and the "464th" designation was given to a new troop carrier organization formed at Lawson AFB, Fort Benning, Ga., on Feb. 1, 1953. First equipped with C-46 aircraft, the 464th changed to C-119 "Flying Boxcars" in 1954 and completed transition to C-123's late in 1958. The wing moved to Pope AFB Oct. 1, 1954.

Primary job of the 464th Troop Carrier Wing is to provide air transport for parachute or assault-type landings of Army airborne forces, their equipment and supplies; resupplying such forces until they are withdrawn or supplied by other means; and furnishing air evacuation in a theater of operations.

Along with this main function are assigned such corollary tasks as training of units and individuals to required degrees of proficiency; frequent participation in joint exercises and maneuvers; rendering help where required in disaster relief or other domestic emergencies; maintaining and operating Pope AFB itself; logistic, administrative and housekeeping support for other units assigned or attached to the base; and, as directed by higher authorities, flying heavy schedules of logistical missions throughout the continental U. S. or elsewhere.

Tactical operations of the wing are performed by five tactical squadrons with help from two key attached units, the 3rd Aerial Support Squadron and the 1st Aeromedical Evacuation Group. Maintenance support is provided by the 464th Consolidated Aircraft Maintenance Squadron, while medical services are a responsiblity of the 464th Tactical Hospital.

Most base support functions—finance, supply, transportation, engineering, base operations, and air police—are a responsibility of the 464th Air Base Group, whose commander, Col. George O. McCafferty, also serves as the base commander.

Also playing key roles in the wing base operation are five attached units—Detachment 20, 3rd Weather Squadron which supplies weather services; 1943rd Communications Squadron, which operates the control tower and flight communications facilities; Detachment 1 728th Aircraft Control and Warning Squadron; Detachment 3, 3rd Radio Relay Squadron; and the 215th Field Training Detachment, which provides technical instruction in several fields and subjects related to the wing and base operation.

Though busy enough under normal conditions, Pope AFB also frequently serves as a key departure or arrival site for giant Military Air Transport Service transports involved in strategic airlift of Army troops and material.

Exercise BIG SLAM/PUERTO PINE—probably the biggest joint exercise ever held outside the United States by U. S. forces—in march, 1960, found MATS aircraft working around the clock moving thousands of Strategic Army Corps troops and their equipment to Puerto Rico and back again to Fort Bragg.

—See POPE, Page 72—

Aeromedicol evacuation is one of the jobs of the 464th Troop Carrier Wing. Lt. Mary J. Dehaven (left), a flight nurse with the 21st Aeromedicol Evacuation Squadron, checks simulated casualties being carried oboard a wing C-123 "Provider" aircraft. On the right, STRAC troops proctice on ossault londing exercise at Fort Bragg. Primary mission of the Tacticol Air Commond wing is support of the oirborne forces, supply ond oir evacuation.

Key To Proper Manpower Placement In And Out Of Uniform, The Story Of North Carolina's Selective Service

From The Office of N. C. Selective Service
COL. THOMAS H. UPTON, (RET.) *State Director*

Selective Service is the oldest and most universal method of recruiting armed forces. In the United States it is based on the accepted principle of the universal obligation and privilege of citizens to defend the Nation. Except for a brief period from March, 1947, through June, 1948, modern Selective Service has functioned continually since September, 1940. Even during the 15-month period when Selective Service was not in operation, the Congress provided by law for the Office of Selective Service Records to preserve the knowledge and methods of Selective Service.

Originally, Selective Service was merely a means of rounding up men to serve in the Armed Forces.

During the early days of World War I, it merely registered and enlisted people by number. But if munitions were to be made for the man with the gun, the necessity for some people to remain on civilian jobs soon became apparent.

Deferrals

World War I ended before the demand for deferrals became acute. In World War II, Selective Service saw the need more quickly and more clearly, and during the conflict not only deferred people from military service because of crucial civilian occupations, but had deferred others for educational purposes. In addition, men were deferred because of various apprenticeships, medical services, and many causes to serve current and prospective national needs.

During the Korean War, Selective Service continued the practices developed in World Wars I and II, but took other steps toward constructive placement of personnel. No compulsions were added as such. It was through what the American people like to call volunteer process.

As early as 1950, it became obvious that methods had to be adapted to permit development of scientists and other trained people in all fields. With Congressional approval Selective Service adopted a system of testing students for aptitude as a basis for deferment. Consider that the Nation has an additional 40,000 or 50,000 engineers today because they were among the approximately 1,100,000 students deferred by Selective Service in 1951-53 during the Korean War.

These Selective Service student deferments reduced what otherwise would have developed into more serious personnel shortages in teaching, medicine, dentistry, and every field requiring advanced study. Not only were prospective scientists and engineers deferred, but also personnel from the entire field of learning.

So, without compelling people to enter professional fields, Selective Service is responsible to a degree for people entering engineering, physics, and other pursuits common to this modern age. Teachers and educators are also deferred from military service. Selective Service not only supplies men to the armed forces while protecting and fostering the civilian economy, but through its deferment policies helps preserve the pattern of family life so basic to America. Today, Selective Service has become an institutional part of the Nation's defense —the key to the proper use of manpower in and out of uniform. It has the following specific functions and responsibilities:

COLONEL THOMAS H. UPTON (retired), State Director of N. C. Selective Service, was assigned to selective service training as a National Guard officer in 1937. Entering active duty in 1940, he was assigned as Assistant State Director. Colonel Upton was released from active duty in 1947, and appointed State Director, N. C. Selective Service Records. He was appointed Deputy State Director, N. C. Selective Service System in 1948, and was appointed State Director August 11, 1950.

Typical of hundreds of students, Bill Cardon, 18-year-old son of W. R. Cardon, Wake Forest, registers for the selective service. With one more year of high school, Bill had to register on his 18th birthday, or five days thereafter, as required by Law. Not certain, Bill believes he will enter service as an airborne infantryman. Mrs. Eleanor Hill of local board no. 93, Raleigh, registers young Cardon.

(1) Selective Service insures that the required strength of the active armed forces is maintained by direct and indirect means. Induction is a direct method. Stimulating enlistments is an indirect method. During 1951-57 there were 2,327,000 inductees and 2,814,000 first enlistments in the armed forces. During this time the armed forces needed over 80 Selective Service inductees for every 100 enlistees to maintain its required strength. When the number of inductions decrease, so do enlistments. When the number of inductions increase, enlistments increase also.

(2) Selective Service helps maintain the required strength of the reserve

Mrs. Nellie H. Bagley, clerk of local board 93, and State Director Uptan discuss the territory which is served by the Raleigh board. It is one of 101 local boards about the state. Paid employees of the local boards number 174, and there are 600 uncompensated citizens who serve as board members.

armed forces, including the National Guard, directly by policing the Ready Reserve and inducting those persons who fail to satisfactorily participate in required reserve training. Assistance is given reserve forces indirectly by deferring those persons who elect to enlist and serve in the Ready Reserve in lieu of induction into the active forces. In 1956 the Selective Service system announced a policy, subsequently covered by an executive order of the President, which would defer persons duly enlisted and satisfactorily participating in the National Guard and the reserve forces regardless of the individual's age at time of enlistment. From 1956 through 1957 the number of Selective Service registrants who became members of the National Guard and other units of the Ready Reserve increased from 200,000 to more than 400,000, or an increase of 100 percent.

(3) As required by law, Selective Service maintains the current availability of well over a million members of the Standby Reserve by a continuous classification and reclassification process.

(4) Permitting men to fulfill their obligation with the least possible time away from vital civilian work, Selective Service selects certain persons with critical skills for the three-to-six months reserve training program to meet the needs of the Ready Reserve for such personnel.

(5) Through registration, it maintains an inventory of all men of military age in the country. More than 20-million men are now registered with the Selective Service system, and each year more than a million are added.

(6) Through more than five million classification actions a year, taken by 4,000 Selective Service local boards throughout the country, men possessing critical skills are channeled into essential activities and occupations, including engineering, scientific and technical pursuits, teaching and study, and preparation for such fields.

(7) In addition to these services. Selective Service also provides many other less obvious, but nevertheless important functions. In the event of a national emergency it helps prevent industrial collapse by inhibiting too early participation in service by key personnel in industry. It makes all segments of the population aware of the need for maintaining an armed force of considerable strength. It points up the physical shortcomings of the male population from which a remedial program has been advocated. It counsels the services on release of personnel in the national interest or for hardship reasons. It channels conscientious objectors to many fields of important research and service work into which few, if any, otherwise go. Selective Service also provides the only inventory of non-service affiliated veterans who in an emergency might be needed quickly for supplementation of the Ready Reserve or regular forces, and it maintains an inventory of registrants, rejected in peace time for military service, who would be needed quickly by the armed forces in the event of an emergency.

Citizens Contribute Services

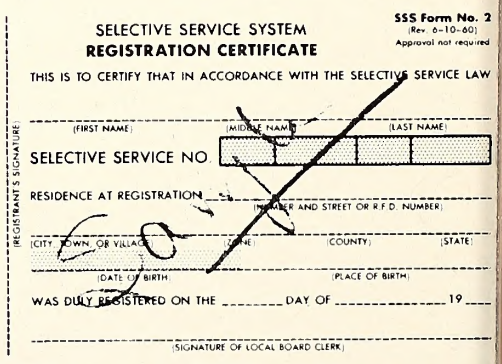
The present Selective Service is not an experiment. History has shown that no system of compulsory service in this country could long endure without the support of the people. The people will support a compulsory system only to the extent that they have confidence in its fairness, and they will have confidence in a system only to the extent which they themselves operate it. The Selective Service system is therefore founded upon the grass roots principal. Groups of citizens in each community determine who of their neighbors will enter military service and who shall stay home in the national interest. There are 4,000 local Selective Service boards in every community throughout the nation. More than 40,000 citizens contribute their services without pay as members, and in various capacities as advisors to the local boards and to the registrants.

Selective Service law assigns the Governor as nominal head of Selective Service within his State. The law requires a State Headquarters in each of the 50 states, and provides that a State Director administer headquarters and represent the Governor. Upon recommendation of the Governor, the State Director is appointed by the President.

The Law also provides a Headquarters and a Director in each of the territories and possessions of the United States. This established the rights that citizens have of sharing in the privileges and assuming their obligation of service in the armed forces, and eliminated the possibility that these areas could become havens of refuge for persons desiring to avoid their military obligations.

Established by Federal Law

The authority for Selective Service is found in the constitutional provision authorizing Congress to raise armies. The National Defense Act creates in each state a staff composed of National Guard officers selected by the Governor who are available to assist him in administering his responsibilities. The state staff has a group of officers as-



SSS Form No. 2
(Rev. 6-10-60)
Approval not required

SELECTIVE SERVICE SYSTEM
REGISTRATION CERTIFICATE

THIS IS TO CERTIFY THAT IN ACCORDANCE WITH THE SELECTIVE SERVICE LAW

(FIRST NAME) (MIDDLE NAME) (LAST NAME)

SELECTIVE SERVICE NO.

RESIDENCE AT REGISTRATION (NUMBER AND STREET OR R.F.D. NUMBER)

(CITY, TOWN, OR VILLAGE) (ZONE) (COUNTY) (STATE)

(DATE OF BIRTH) (PLACE OF BIRTH)

WAS DULY REGISTERED ON THE _____ DAY OF _____ 19____

(SIGNATURE OF LOCAL BOARD CLERK)

(REGISTRANT'S SIGNATURE)

Certifying to the individual's compliance with Selective Service Law, this card is retained by the registrant. It includes his selective service number.

signed to the Selective Service section, and it is normally from this section that the state Selective Service headquarters is manned. The Universal Military Training and Service Act and the 1940 Selective Service Act authorizes the use of military personnel by the President to be assigned to administer the Selective Service system.

In order to coordinate and service the State Headquarters and the local Selective Service boards, the Universal Military Training and Service Act, as amended, provided for a small National Headquarters to be administered by a Director of Selective Service, appointed by the President by and with advice of the Senate. The key positions in the

National Headquarters are held mostly by National Guard and Reserve officers who have been called to active duty and assigned to the Selective Service system.

During World War II, under a similar operation, there were as many as 184,000 uncompensated citizens serving as local board members of the more than 6,000 local boards throughout the country and in various advisory capacities in the communities. Nearly 800 officers of the National Guard and the Reserve were on duty with the Selective Service system in the State Headquarters, the territories and possessions, and at the National Headquarters. Today, 40,000 uncompensated citizens are serving at the community level, and with additional state headquarters and a vastly increased and more complex population and economy, Selective Service is administered with only 264 Reserve and National Guard officers in key positions, at National Headquarters, the 50 states, territories and possessions. Of the total, 209 are Army, 36 Air Force, 11 are Navy, and eight are Marine Corps officers. There are 203 officers in 56 state and territorial headquarters, and only 61 at National Headquarters. Many of the smaller headquarters have only one officer and most have less than four.

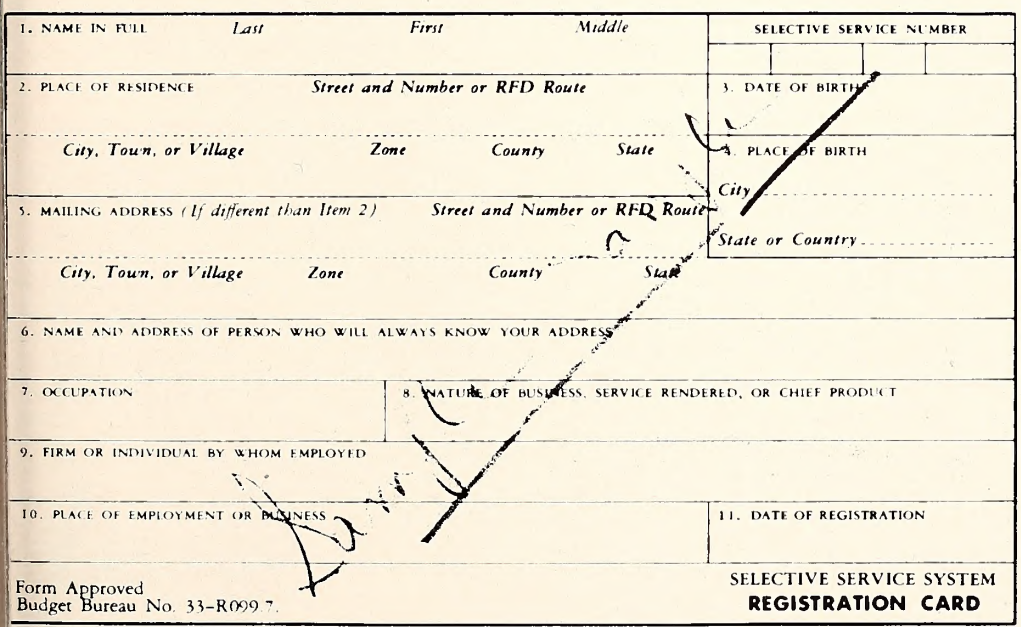
Congress was wise to utilize the services of these National Guard and Reserve officers. This has been conclusively demonstrated throughout the 18 years in which the system has conducted an operation of the greatest delicacy without its integrity being questioned.

Personnel Assigned by Congress

Assigning military personnel to the Selective Service, Congress was motivated by the following considerations: 1) The need to keep Selective Service out of the political arena to assure its acceptance by the people; (2) the requirement that its key personnel be familiar enough with the military establishment to understand its needs, and at the same time be close enough to the people in their states and communities to understand and appreciate the civilian viewpoint. National Guard and Reserve officers are peculiarly well-fitted to serve as a link between military and civilian groups; (3) to make available to the Governors of the states personnel trained in Selective Service duties; and (4) to insure mobility and continuity of assignment and unlimited availability.

At the conclusion of World War II uncompensated local board members overwhelmingly endorsed the activities of military people in Selective Service.

To assure continuity of assignment and availability of trained personnel to supplement the active duty officers in time of emergency, approximately 1250 reserve officers are earmarked for duty with the Selective Service system and are trained specifically in these duties. These officers are assigned to Ready Reserve units strategically located throughout the country. Their number consists of 537 National Guard, 335 Army, 208 Air Force, 106 Navy, 62 Marine Corps, and 11 Coast Guard reserve officers. The need for this officer assignment to the Selective Service system has long been recognized by the Administration and Congress. When the system suddenly had to renew operations in 1950, additional executive personnel were instantly available and ready to act.



1. NAME IN FULL — Last — First — Middle — SELECTIVE SERVICE NUMBER
2. PLACE OF RESIDENCE — Street and Number or RFD Route — 3. DATE OF BIRTH
City, Town, or Village — Zone — County — State — 4. PLACE OF BIRTH
5. MAILING ADDRESS (If different than Item 2) — Street and Number or RFD Route — City — State or Country
City, Town, or Village — Zone — County — State
6. NAME AND ADDRESS OF PERSON WHO WILL ALWAYS KNOW YOUR ADDRESS
7. OCCUPATION — 8. NATURE OF BUSINESS, SERVICE RENDERED, OR CHIEF PRODUCT
9. FIRM OR INDIVIDUAL BY WHOM EMPLOYED
10. PLACE OF EMPLOYMENT OR BUSINESS — 11. DATE OF REGISTRATION
Form Approved Budget Bureau No. 33-R099.7 — SELECTIVE SERVICE SYSTEM **REGISTRATION CARD**

SSS Form No. 1 (Revised) (over)

North Carolina ranks eighth among all states in the size of registration. Here is the registration card which is made out initially for the individual by the local board. Individual files are reviewed each year and reclassifications made if necessary. Local boards have forwarded 231,000 men to examining stations.

As it exists today, Selective Service forms a vital cornerstone in the defense structure of the United States. In addition to performing all the functions outlined in this article, it offers evidence to the world of our country's determination to remain strong. Tampering with the system would delight our enemies, alienate our allies, and add to the uncertainty of nervous neutrals.

One of the most important aspects of the Selective Service system is its capacity for rapid expansion in time of emergency. Selective Service is the only agency with an inventory of manpower, and, in event of disaster or catastrophe, is the only agency organized in each of the communities throughout the United States capable of expanding its present functions and assuming necessary additional responsibilities in connections with the mobilization of military and civilian manpower.

The North Carolina Selective Service system has its State Headquarters staffed by three officers and 24 civilians, including five local board auditors. There are three appeal boards, one for each Federal Judicial District, and 101 local boards, one for each county except Guilford which has a local board in both Greensboro and High Point.

Advisory Boards

The appeal boards each have five uncompensated members, one of whom must be an attorney, another a physician, and the other three must represent agriculture, industry and labor.

The 101 local boards have 174 paid employees serving as a clerical force. They have 600 uncompensated personnel serving as local board members, government appeal agents, medical advisors to local boards, and advisors to registrants. The paid clerical force renders reports and handles the general Selective Service processes. But all determinations of classification, postponements of induction, and declarations of delinquency, etc., are determined by the majority vote of the local board members in an official meeting of the board.

There are also two advisory groups which are not part of the Selective Service system, but they nevertheless render valuable aid. They are the North Carolina Medical Advisory Committee and the North Carolina Advisory Committee on Scientific, Engineering, and Specialized Personnel.

The State Medical Advisory Committee, which is authorized through Congressional action, advises the State Director on matters pertaining to the medical, dental, veterinary, and nursing professions and makes recommendations concerning individual cases involving members of these professions when there is a question concerning their necessity to the community.

The N. C. Advisory Committee on Scientific, Engineering, and Specialized Personnel consists of well-known representatives of various scientific, engineering, and technical fields. Upon invitation by the State Director of Selective Service, after consultation and approval by the Governor, this committee was organized. It advises the State Director on matters pertaining to scientific, engineering, and specialized areas and advises the local boards in individual cases involving such personnel when there is a question of deferment. It also advises local boards in cases involving selection of persons with critical skills

See SELECTIVE SERVICE, Page 52

Employers Ask

"Why Investigate Me?"

By J. B. Harris, *Supervisor, Field Representatives*

As the 36 Field Representatives of the N. C. Employment Security Commission go from employer to employer making some 1,200 liability determinations per month, one of the most common questions they hear is, "Why investigate me?"

An honest answer is that we are attempting to investigate all firms not making reports and paying contributions to the Commission, and that we are just getting to the employer's firm.

To better understand this answer, let us look briefly at the problem and the composition of the unit. North Carolina has some 75,000 employing units with about 34,000 covered by the state's Employment Security Law and making reports. A model plan would be to check each of the non-reporting firms each year. This is, however, impossible. The ESC has only 36 Field Representatives to cover the entire state. These men, in addition to making investigations, must correct wage reports which cannot be corrected by mail, answer various questions from the employers, serve judgments and collect on delinquent contributions, secure delinquent reports, handle worthless checks, and make various other investigations as requested by the Commission. In a typical month, the unit can only allot sufficient time to make some 1,200 investigations, or 14,400 yearly. This means that at best we can only hope to reach each employer during the five-year Statute of Limitations.

Now—back to "why investigate me?"

Certainly, priority is given to employers requesting liability and status investigations, and to protests from claimants who believe their former employer should be liable. The Field Representative must, after clearing these items, contact other firms under normal investigation as soon as possible. How do they determine which employers to investigate? Copies of Employer's Application for Employer Identification Number under the F.I.C.A. are furnished the Field Representative. These applications offer leads, but it is still the Field Representative's problem to make original contacts and investigations.

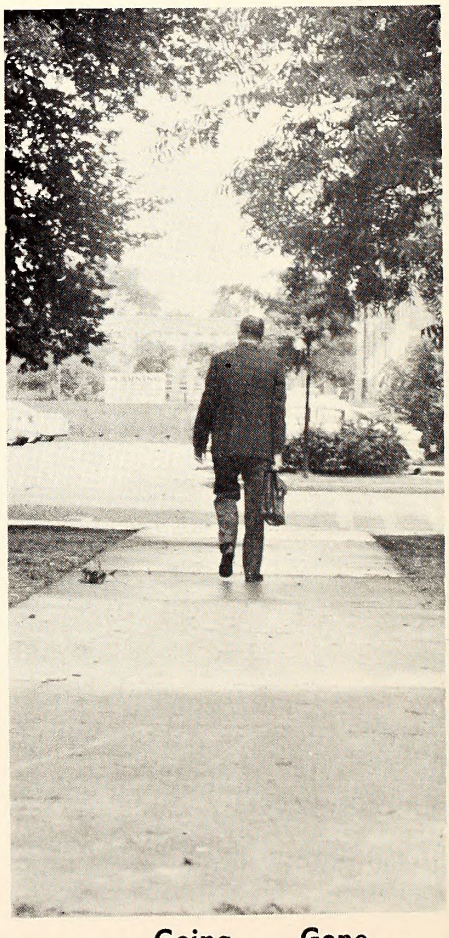
And since men travel daily in an assigned area, they must constantly be alert for points that would indicate liability. Such items as new additions to buildings, increased activity, advertising, newspaper accounts of additional personnel, and information from competitors give Field Representatives invaluable leads in determining liable employers. In addition, reports of liability for Federal Unemployment Tax, letterheads and match covers showing branches in other towns, signs on cars and trucks, contractors' signs at construction work, and idle gossip are all used in compiling a list of prospects for investigations. Careful attention is given lists of firms published by trade journals and city directories. Yellow pages in telephone directories are checked. Lists of sub-contractors as obtained from prime contractors, lists of state and Federal contracts awarded, and want-ads from various newspapers all give excellent leads. Finally, street-by-street and building-by-building checks are made with these leads.

Basically, liable employers under the Employment Security Law are those who are classified as employing four or more workers in 20 calendar weeks out of a calendar year. It is estimated that about 50 per cent of the employers in North Carolina coming under the law for the first time are unaware of their liability. A tiny, almost insignificant number of new liable employers deliberately try to evade payroll taxes as required by the Law.

Consequently, some employers, either deliberately or unknowingly, fail to comply with the law, and when they are eventually investigated and brought under the Act, they are faced with the heavy burden of several years' contributions plus interest. They face a heavy drain on their financial status.

So rather than ask "Why investigate me?" the wise employer or accountant asks, "Why not investigate me? I want to know my status."

Field Rep. . . . Going . . .



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EX-SERVICEMEN HAVE U.I. PROTECTION UNDER PUBLIC LAW AS "UCX"

By Carl Light, *Supervising Claims Examiner, UCX Unit*

Ex-servicemen filing claims in North Carolina are being paid benefits which add up to an average of $154,830 per month.

Ex-servicemen of the armed forces now have unemployment insurance protection under Public Law 85-848. The law which became effective October 27, 1958, provides a permanent unemployment insurance program for the armed forces similar to the program for workers in commerce or industry who become unemployed and who meet the requirements of the North Carolina Employment Security Law. Public Law 85-848 enacted by the Congress of the United States in August, 1958, amended Title XV of the Social Security Act to extend the unemployment insurance system to ex-servicemen of the armed forces. This extension is in effect, an entirely new program known as "Unemployment Compensation for Ex-servicemen," and referred to as "UCX." This program is financed entirely by an appropriation of the Federal Government.

Until October, 1958, some veterans were covered by temporary unemployment insurance through so-called emergency measures. First, there was the Servicemen's Readjustment Act for World War II veterans. This was followed by a program to provide coverage for veterans of the Korean conflict who had service between June 27, 1950, and January 31, 1955; however, there was no provision for ex-servicemen who entered the armed forces after January 31, 1955.

Permanent Program

Rather than enact still another temporary measure to cover that group, a permanent program along the lines of the protection now provided for workers in commerce or industry was developed. Since October 27, 1958, any ex-serviceman who qualifies under the provisions of this Act is entitled to receive unemployment insurance benefits. Unemployment insurance is generally recognized as one of the important bulwarks of the economy since it provides purchasing power for the individual during periods of unemployment. In 1958 about 81% of the wage and salaried jobs in the country were covered by federal or state unemployment insurance laws; however, unlike workers in private industry, individuals who entered the armed forces after January 31, 1955, had no unemployment benefits to tide them over periods of unemployment following their separation from military service.

Many ex-servicemen have had little or no pre-employment experience. At a time when skilled workers with extensive and recent employment are experiencing periods of unemployment, it is difficult for anyone entering the labor market to obtain work, especially those without civilian experience.

Unemployment benefits based on their service in the armed forces provides ex-servicemen with some income during their readjustment period. Wages earned in the armed forces are to be treated as though they had been earned in employment subject to state unemployment insurance laws. Such a provision does not constitute a special reward for military service, but merely accords the individual a protection he most likely would have had if he had not entered military service. Protection under Title XV of the Social Security Act is the most satisfactory way of meeting the post-service unemployment compensation needs of ex-servicemen. The Secretary of Labor, on behalf of the United States, is authorized to enter into agreements with the State Employment Agencies for the purpose of administering Title XV. The agreement provides that benefits under Title XV will be paid by the state agencies and that the state will otherwise cooperate in achieving these objectives.

The Employment Security Commission of North Carolina has entered into such an agreement. Under this agreement the Commission assumes the responsibility for taking claims, making determinations of all issues, making payments, and rendering other services necessary for carrying out this program. UCX claims filed in North Carolina are processed under the provisions of the Employment Security Law of North Carolina. UCX claimants must meet the eligibility requirements of the Employment Security Law basically the same as civilian claimants filing for unemployment insurance benefits. Ex-servicemen filing claims in North Carolina must also have had military service during this State's base period applicable to their claims. In addition, they must have had 90 or more continuous days of active service in the armed forces. An ex-serviceman must have been discharged under conditions other than dishonorable.

Similar To Private Industry

The UCX claimant establishes a benefit year in the same manner and under the same conditions as a former worker in private industry covered by the unemployment insurance program. Base period wages are derived from a pay scale furnished by the United States Secretary of Labor based on the ex-serviceman's grade or rank at the time of his separation from active duty. This pay scale specifies a pay rate for each grade or rank which is basic pay plus other allowances determined by the Secretary of Labor after consultation with the Secretary of Defense. An ex-serviceman filing a UCX claim in North Carolina is entitled to the same weekly benefit amount as unemployed civilian claimants filing for unemployment insurance in North Carolina. Ex-servicemen in North Carolina are receiving weekly benefit amounts ranging from a minimum of $12 per week to a maximum of $35 per week for twenty six weeks in a benefit year. UCX benefits are financed by federal appropriations except when covered unemployment insurance wage credits are sufficient to entitle the ex-serviceman to covered unemployment insurance benefits.

North Carolina is not footing the bill to pay for these benefits. There is no deduction from the serviceman's pay to finance such a program. UCX claims filed in North Carolina, as well as in other states, are paid from federal funds. Ex-servicemen in North Carolina, in addition to having served in the armed forces during the base period applicable to their claim, must have earned base period wage credits of at least $550, which is also the minimum qualifying wages for a civilian claimant. Their federal military service of at least 90 days must have covered at least part of two calendar quarters in their base period. In addition to this basic requirement, the ex-serviceman filing claims in North Carolina must be unemployed like the civilian claimant. He must register for work and file a claim at a local office of the Employment Security Commission. The ex-serviceman must be able to work. He must be available for work and must make an active search for work on his own initiative. The ex-serviceman may be disqualified like the civilian claimant if he quits a civilian job voluntarily without good cause. In some cases he may have re-employment rights with his former employer following his separation from military service. If he does not exercise those re-employment rights, then he may be disqualified because such condition would constitute a voluntary quit. Further, the ex-serviceman, like the civilian claimant, may be disqualified if he refuses a suitable job without good cause. If he is fired for misconduct, he is subject to the same disqualification as the civilian claimant. An ex-serviceman who wishes to file a claim in North Carolina should take with him to the nearest local office of the Employment Security Commission his separation Form DD 214. He should also carry with him his social security account number card. A record of employment, if any, both before and after military service, would be helpful to the claims taker in taking his claim. Such claims are forwarded to the central office of the Employment Security Commission where a separate unit known as the "UCX Unit" is responsible for processing the claims in accordance with the provisions of the Employment Security Law and the federal regulations.

. . . AND A U.I. PROGRAM FOR EX-FEDERAL EMPLOYEES CALLED "UCFE"

Eligible, unemployed ex-federal employees are also covered by a program of unemployment benefits. During the period January 1, 1955 through calendar 1960, a total of 15,956 initial claims for unemployment compensation for federal employees were filed in North Carolina, and a total of $3,358,003 in benefits were paid under this program. The following article by Mr. Rochelle gives the detailed procedure of administering UCFE in North Carolina.

By Charles Rochelle, *Supervising Claims Examiner, UCFE Unit*

On January 1, 1955, the 83rd Congress of the United States enacted legislation to afford payment of unemployment compensation for federal empoyees, hereinafter referred to as "UCFE." This legislation was an addition to the Social Security Act, Public Law 767, Title XV. The UCFE Program in North Carolina is administered by the Employment Security Commission of North Carolina under an agreement with the Secretary of the United States Department of Labor.

The program provides UCFE benefits for federal workers similar to those benefits provided by the State Employment Security Law to workers in private industry. This federal legislation also sets forth the conditions for determining the state to which an individual's federal service and federal wages are to be assigned for benefit purposes. The place of last employment or duty station at which an individual performed federal service prior to becoming separated from federal employment is the determining factor in ascertaining the state to which the individual's service and wages are to be assigned for purposes of UCFE.

At the time an individual is separated from federal service the federal agency issues to that individual a Standard Form 8, Notice to Federal Employee about Unemployment Compensation. When the claimant files an initial claim for UCFE he presents this Standard Form 8 to the interviewer who takes his claim. The purpose of the Standard Form 8 is to ensure that Form ES-931, Request for Wage and Separation Information, be mailed to the correct payroll office headquarter's address at which the claimant's payroll records are maintained.

The request for wage and separation information is prepared by the local employment office where the claim is filed. The local office must request wage and separation information, because the Employment Security Commission of North Carolina does not maintain payroll records for Federal agencies in North Carolina, as is the case for employers in this state covered under the Employment Security Law of North Carolina.

The request for wage and separation information must show certain information to facilitate the location of the claimant's payroll records when the form is received by the federal payroll office. The claimant's name and social security account number, his date of birth, the place where he worked while in federal service, and the quarter ending dates of the base period for which wage information is required, are shown on the request for wage and separation information by the local office. The federal agency completes the request for wage and separation information by entering information from the claimant's payroll records. A notation must be made on the request to indicate if the claimant performed federal service for purposes of UCFE. This information is necessary because wages accrued by claimants while engaged in certain types of federal service are not applicable for purposes of UCFE under this program. Some examples are: (1) service of an elective official of the Government of the United States; (2) services performed by a patient or inmate of a hospital, home or other institution of the United States; and (3) services performed on a temporary basis in case of fire, storm, earthquake, flood, or other similar emergency.

The federal payroll office must also show opposite each base period quarter ending date the amount of earnings accrued by the claimant during that quarter and the total amount earned during the four base period quarters listed. If the claimant was paid a lump-sum terminal leave payment at the termination of his federal service, the amount and period covered by the terminal leave payment, and the date on which payment was made are also shown by the federal agency payroll office. The cause and date of the claimant's separation are shown and the request for wage and separation information is signed and dated by an authorized certifying officer. The claimant's payroll records are annotated to show the amount of earnings assigned, the period covered by the earnings assigned, and the state to which assigned.

The original of the request for wage and separation information is then mailed to the central office of the Employment Security Commission in Raleigh, North Carolina. A duplicate of the request is retained by the federal agency in an alphabetical file for two years after the date of certification.

The initial claim for UCFE, with a copy of the request for wage and separation information, is mailed to the central office of the Employment Security Commission by the local office on the same day the claim is filed. The claim and request for wage and separation information are examined for correctness and completeness. Cycle cards for local employment office use in taking continued claims when filed by the claimant are mailed to the local office. The initial claim and a copy of the request for wage and separation information are held in a suspense file until the completed request is received from the federal agency payroll office. If a reply is not received within ten or 21 days, a second request is mailed (21 days are allowed for overseas cases). When the original request for wage and separation information completed by the federal agency payroll office is received in the central office of the Employment Security Commission, an examination of the form is made in comparison with the initial claim filed. This examination is to ensure that the claimant's federal wages are correctly assigned, that the claimant did not receive a lump-sum terminal leave payment covering a period extending beyond the effective date of the initial claim, and that sufficient earnings were accrued in at least two quarters during the base period to entitle the claimant to benefits.

After this examination a UCFE benefit ledger is prepared. Computation is then made on a Wage Transcript and Monetary Determination setting forth the claimant's benefit rights in accordance with the wage and separation information received. The availability requirements and the disqualification provisions of the Employment Security Law of North Carolina apply to UCFE claims in the same manner as to claims under the State unemployment insurance program.

During the period from January 1, 1955, through the calendar year of 1960, a total of 15,956 initial claims for UCFE were filed, and a total of $3,358,003 in benefits were paid under this program.

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CHERRY POINT

Headquarters, Eastern Area

USMC AIR BASES

From The Office of Informational Services, Marine Corps Station, Cherry Point

Official USMC Photos

Marine Corps Air Bases, Eastern Area, Cherry Point, North Carolina, was established on October 4, 1957, under the command of Brigadier General Edward C. Dyer. Prior to that time it was known as Marine Corps Air Bases, Cherry Point.

Under the military command of the Marine Corps Air Bases, Eastern Area, are: Marine Corps Air Station, Cherry Point, N. C.; Marine Corps Air Station, Beaufort, S. C.; and Marine Corps Air Facility, New River, Jacksonville, N. C.

The present commander of the Marine Corps Air Bases, Eastern Area, is Brigadier General F. C. Tharin. In command relationship his military control comes under the Commandant of the Marine Corps. Management control is under the Bureau of Naval Weapons.

As additional duties, the commander of the Marine Corps Air Bases, Eastern Area, is assigned as Commanding General of the Marine Corps Air Station, Cherry Point, N. C., at the discretion of the Commandant of the Marine Corps. In this respect, the General Staff and Special Staff of the Marine Corps Air Bases, Eastern Area, also perform identical duties for the Marine Corps Air Station, Cherry Point.

For its area of responsibility the Marine Corps Air Bases, Eastern Area, is assigned "that portion of the continental United States encompassed by the geographical boundaries of the Eastern Sea Frontier."

The mission of the Commander, Marine Corps Air Bases, Eastern Area, is: "To exercise military command of assigned aeronautical shore activities providing support to aviation units of the Fleet Marine Forces within designated geographical areas of the continental United States to insure that all services and facilities required by units supported by such activities will be adequately planned and provided."

Corps' Largest Air Station

The Marine Corps Air Station, Cherry Point, was built at the start of World War II, and is the largest Marine Corps Air Station in existence. Construction of the Air Station began August 6, 1941, and the station was commissioned May 20, 1942. The present value of the Air Station is approximately $150 million.

Cherry Point is located on 11,360 acres, or over 17 square miles, in Craven County between Hancock and Slocum Creeks on the Neuse River. Cherry Point's 35,000 feet of runways are extensive enough to handle all types of high performance aircraft.

The mission of the Air Station is "to maintain and operate facilities and provide services and material to support operations of aviation activities and units of the operating forces of the Navy and other activities, and units as designated by the Chief of Naval Operations."

Second Marine Aircraft Wing

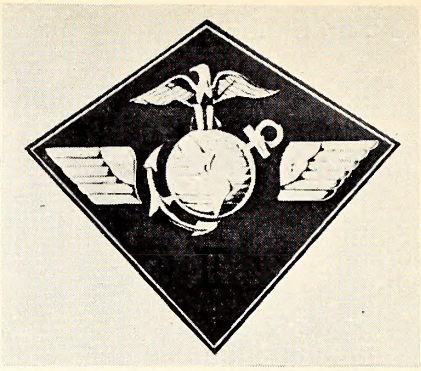
The Air Station is the home of the Second Marine Aircraft Wing. Commissioned on July 10, 1941, at the Naval Air Station, San Diego, California, the Second Marine Aircraft Wing fought gallantly throughout World War II. Although the Wing never saw action during the Korean conflict, it became the training grounds for many of the air units which later became battle veterans of the Korean war. Aircraft of the Second Marine Aircraft Wing include the dependable R4Q's, twin engine transports commonly referred to as "Flying Boxcars," in addition to high performance jet aircraft such as the A4D "Skyhawk"; F4D "Skyray"; F9F "Cougar"; and the F8U "Crusader." Helicopters of the Second Marine Aircraft Wing include the HUS, used primarily for vertical envelopment tactics, the HR2S, a twin engine helicopter capable of carrying 36 fully equipped troops or 24 litter patients, and the HOK which is used mainly for reconnaissance.

The mission of the Second Marine Aircraft Wing is "to provide for the maximum effectiveness of assigned groups and units in the execution of air operations in support of the Fleet Marine Force."

Overhaul and Repair Department

The Overhaul and Repair Department, presently valued at over $28 million, was commissioned in December, 1943. In early 1945, the employment reached a peak of 3,778, consisting of 1400 civilians and 2,500 Marines.

The Overhaul and Repair Department covers approximately 75 acres of ground, and is capable of repairing or overhauling modern jet aircraft of the Marine



2ND MARINE AIRCRAFT WING

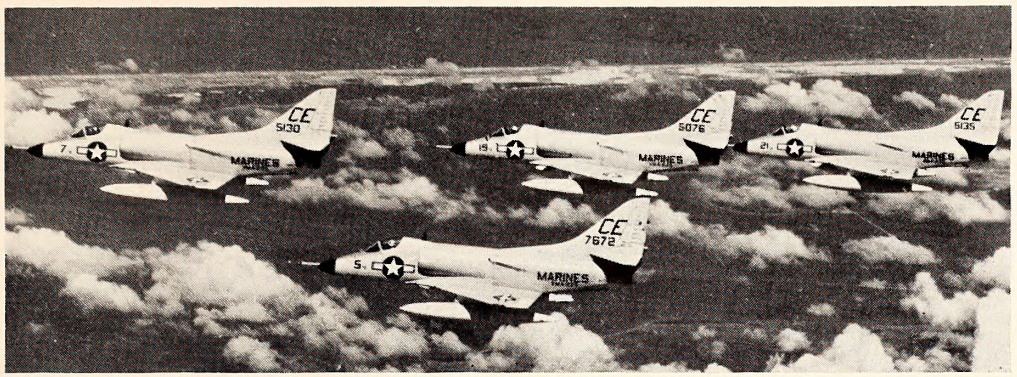
USMC AIR STATION

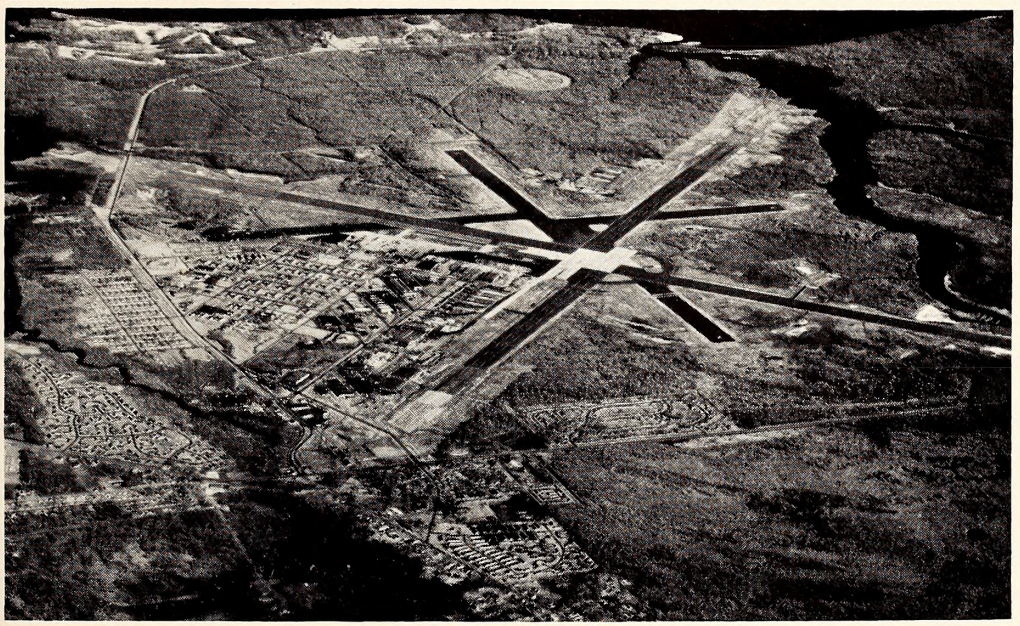
MAJOR GENERAL RICHARD C. MANGRUM, Commanding General of the Second Marine Aircraft Wing, Cherry Point, assumed his present command in October, 1961. Born in 1906, Seattle, Washington, he attended the University of Washington and in 1928 enlisted in the Marine Corps Reserve. Commissioned in 1929, he received a regular Marine Corps commission in 1941. General Mangrum was promoted to his present rank in 1959. He was awarded the Navy Cross for "extraordinary heroism" for action in the Solomon Islands in 1942, and saw extensive duty in the Pacific theater during WW II. As a Colonel, he was attached to the 1st Marine Aircraft Wing in Korea.

Other major assignments include duty in Washington, D. C., and Quantico, Virginia. He served as Deputy Chief of Staff, G-3, at Headquarters Marine Corps, Washington, before being assigned Assistant Wing Commander, 1st Marine Aircraft Wing, Japan, in 1959. When he was promoted to Major General, he assumed command of the 1st Marine Aircraft Wing. In 1960, General Mangrum was assigned to Norfolk, Va., as Commanding General, Aircraft, Fleet Marine Force, Atlantic, and Deputy Commander, Fleet Marine Force, Atlantic.

BRIGADIER GENERAL FRANK C. THARIN, Commander Marine Corps Air Bases, Eastern Area, and Commanding General, Marine Corps Air Station, Cherry Point, was born in Washington, D. C., 1910. He attended the Naval Academy and was commissioned a second lieutenant in 1934. As a captain, he was assigned to Ewa, Hawaii, in 1941, and shortly afterwards moved to Wake Island. He was one of the senior pilots on Wake when the Japanese attacked the small Pacific island. Taken prisoner in December, 1941, he was interned for almost four years by the Japanese in prison camps in China, Korea, and Japan.

Following the war, General Tharin saw duty with the Marine Corps Headquarters in Washington, at Quantico, Virginia, and at Cherry Point. He later served in Hawaii on the staff of the Commander-in-Chief, Pacific. He also served in Japan and as Chief of Staff, Aircraft, Fleet Marine Force, Atlantic, Norfolk, in 1957. Transferred to Cherry Point in 1958, he was promoted to his present rank and assumed duties as Assistant Wing Commander, 2nd Marine Aircraft Wing. He assumed his present command in October, 1960.





"Whirlybird" helicopter from MCAF, New River, troins Morine infantrymen (top photo). Piloted by Officers of the 2nd Morine Aircroft Wing, A4D jet "Skyhawks" fly in formation over the Carolina coast. With in-flight refueling copobilities, they are oble to fly non-stop coost to coost. An oeriol view of the air stotion shows the Neuse River in the bockground. Afternoon troffic (below) posses the main gote at the Cherry Point Air Stotion. Civilions employed at the bose number olmost 3400.

Corps and Navy. The Engineering Department is one of the best of its type, capable of performing design or engineering analysis. The primary mission of the Overhaul and Repair Department is "supporting the Fleet through overhaul and repair of aircraft, engines, accessories and components; and the manufacturing of aircraft parts and assemblies required in the support of the above program."

Commands

Commanding the Marine Corps Air Station is Brigadier General Frank C. Tharin, USMC, who is also the Commander, Marine Corps Air Bases, Eastern Area. General Tharin assumed his present duties on October 1, 1960 following a tour as Commanding General, Second Marine Aircraft Wing.

Major General Richard C. Mangrum USMC, Commanding General of the Second Marine Aircraft Wing, FMF, reported aboard the Air Station in October, 1961. Prior to his present assignment he was Deputy Commander of Fleet Marine Force, Atlantic. He assumed his present duties on Oct. 3, 1961.

Emergency Assistance

During an emergency, both the Second Marine Aircraft Wing and the Air Station are available to help the surrounding communities in any way possible. For example, the following type of assistance was rendered during hurricane Donna's visit last year:

Activated and maintained a hurricane evacuation center in Graham Barden school where approximately 400 civilians (mostly from the beach areas) and 200 military personnel and dependents spent the night.

Delivered portable generators to Atlantic Beach, Newport, Morehead City, Beaufort, and New Bern.

Furnished water trailers to Havelock, as well as making a freezer in the station cold storage plant available for use of Havelock residents without electricity.

The air-search-rescue helicopters here surveyed the area the morning after, and offered assistance to many families from outlying areas.

Helicopters from New River airlifted two stranded families, delivered water to various areas, and moved a portable generator from Morehead City to the Swansboro area.

Furnished personnel and equipment to assist the Carolina Power and Light Company in setting up three "H-frames" which transmitted power to New Bern, Morehead City, Beaufort, and the air station.

Supplied blankets, cots, food trays and utensils to residents of the beach area.

Military Police in Morehead City and Atlantic Beach aided in the evacuation and rescue of personnel during the hurricane, and assisted in patrolling the disaster area in coordination with civilian police and the National Guard. The Air Station fared quite well dur-

ing the hurricane. However, most of the personnel had been through some form of storm, and were eager to assist others who were less fortunate in any way possible.

Economic Impact

The total civilian labor force at the Marine Corps Air Station, Cherry Point, and Marine Corps Air Facility, New River, Jacksonville, is approximately 3600.

At Cherry Point, the civilian labor force is 3380, of which 3140 are civil service employees. New River employs 150 civilians. The total annual wage paid these employees is about $19 million.

Military personnel number approximately 7100 at Cherry Point and about 200 at New River. Their combined payroll of about $43 million for the fiscal year 1961 exemplifies contributions these two Marine Corps installations are making to the economy of North Carolina.

Last year the federal government gave to the Craven County Board of Education $150 for each child of every federal employee who worked and lived on federal property, and $75 for each child of every federal employee who worked on federal property but lived on non-federal property. These two figures were established as a fair share of the cost of schooling of a child in the state.

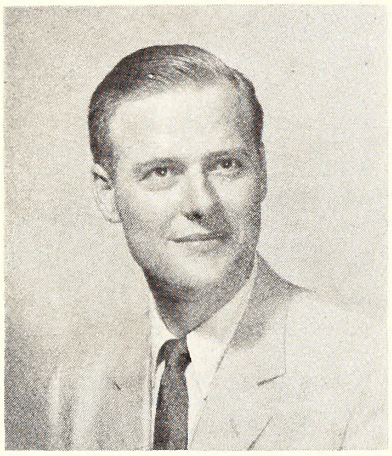
During fiscal year 1961, the cost for various types of construction and utilities added up to $2 million. Of this amount, about 50 per cent was paid to North Carolina contractors and firms.

The construction of Capehart homes for military personnel, which was completed in 1960, was accomplished by a North Carolina construction company.

Cherry Point's supply department added to the figures during fiscal year 1961 by purchasing about $594,118 worth of miscellaneous items from North Carlina business firms. Small businesses received approximately 42 per cent of this amount.

Donation of surplus property to the

Impact of military is "daily felt in every segment of our economy."



By Dale Mullins
Mayor, New Bern, N. C.

The Marine Corps Air Station at Cherry Point is New Bern's largest industry and may indeed be the largest single industry in eastern North Carolina. There are about 3,400 civilian employees at this base.

The development of Cherry Point during and since World War II has had a pronounced impact on the economy of New Bern and Craven County, representing the first change in the area from total agricultural economy to the beginning of an industrialized economy, and this growth has been continuous since the end of the war.

The Marine Corps Air Station is the home of the second Marine Air Wing and as such resembles many other military bases. However, the greater economic impact of the military base arises from the fact that it is also the site of the huge Overhaul and Repair Shops where Marine and Naval aircraft are repaired, modernized and rebuilt. These shops employ 1,681 civilians under the Civil Service System.

The Overhaul and Repair Shop has the appearance and, indeed, operates as a huge aircraft manufacturing plant. All of the employees in this shop are highly skilled and command high wages. Many of these employees have come to this area from other parts of the nation bringing their diversified skills to the complex operation of this shop.

A large number, however, are natives who have been trained as machinists, metalsmiths, electricians, mechanics and other skilled artisans. On-the-job training programs are constantly in progress enabling employees to graduate from unskilled to helper to skilled mechanic with proportionate pay increments. Average pay of employees in these shops compares very favorably with pay in manufacturing industry elsewhere in the nation.

This high type of employment is reflected in the adjoining communities by higher standards of living and constantly increasing retail trade. Approximately 56% of the employees at Cherry Point are residents of New Bern and Craven County. The remaining number live in adjacent counties, most of which are in the New Bern trading area. Cherry Point is the single most important factor in raising Craven County to its position of 16th among the 100 counties in North Carolina in per capita income.

The cost of annual operation of the air base approximates $80 million. Of this amount, $39 million is military payroll and $17 million is civilian payroll. In addition, new construction from time to time provides additional large payrolls.

More than 1,700 civilians are employed on the base in jobs outside the O. & R. Shops. The Supply Division has 619 employees and the Public Works Department 604 employees. Although these are usually less skilled jobs than those in the O. & R. Shops, average wages are high. Many unskilled people who previously depended on part time agricultural employment now have full time employment on the base and opportunity to advance to more skilled and higher paying jobs.

The 3,400 employees at Cherry Point are estimated to average three dependents per employee and thus support 13,704 civilians in this area.

Retired Marine personnel are fine citizens, and their addition to our community is felt in many businesses and industries. They are frequently among our strongest civic boosters. Coming from all parts of the nation, they have instilled a more cosmopolitan attitude into this historic area.

A large amount of the military payroll is spent in the local area for many services, housing and retail purchases. The Simmons-Nott Airport at New Bern, served by National and Piedmont Airlines, emplanes almost 18,000 passengers per year. This is largely due to traffic generated by the nearby military bases.

A military base of the magnitude of Cherry Point constitutes a small city and requires the services of a host of businesses. More than $500,000 is spent annually for local purchases to supply the base.

The Marine Base at Cherry Point has always been a good neighbor of New Bern. We have enjoyed joint participation in many community projects. There is willing participation of the military in the United Fund Drive and other charitable endeavors. The city constantly strives to be a home away from home for the military personnel.

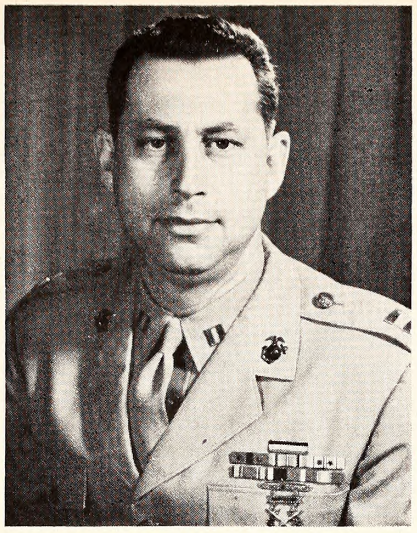
Cherry Point constitutes a large measure of the prosperity that we enjoy in this area. The impact of this large military base and industry is daily felt in every segment of our economy and we are grateful for this good neighbor.

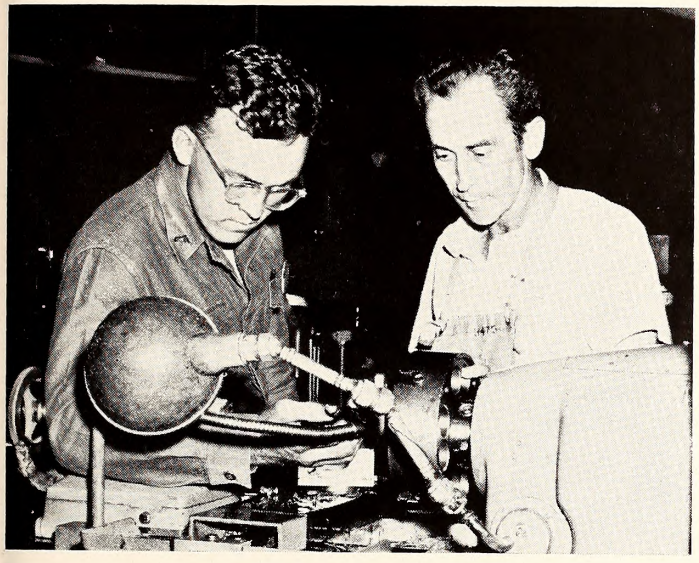
North Carolina Federal Surplus Property Division during fiscal year 1961 totaled $573,620. This figure represents the acquisition costs of items donated.

Surplus property donated to the state in other fiscal years totaled: 1959—$831,560; 1960—$515,987.

Items of surplus property donated to the state included hand tools, hardware, vehicles and parts, construction equipment, metal and woodworking machinery, electrical and electronics equipment, and miscellaneous material such as office and medical supplies and equipment.

CAPT. ED SCHULTZE
Informational Services Officer
Marine Base, Cherry Point





Machine shops at the Overhaul and Repair Department are numeraus. Here, as an the entire base, civilian and military people caaperate (left) ta accamplish a jab. All civilian and military persannel are skilled in their prafessian, and far the new arrivals, an-the-jab-training is canstantly in pragress.

The Q & R afficer (center background), Calanel J. H. Clark, canfers with his tap civilian assistants ta discuss the many sectians that make up the Overhaul and Repair Department. Meetings af this type are typical af the clase affiliatian between civilians and the military. A large graup af civilians are employed in the base Supply Division and the Public Works Department, numbering about 1200 warkers.

CHANGING TIMES

—Continued from Page 3—

cies to implement on the plans for Employment Service improvement."

In North Carolina, immediate action was taken to hire additional personnel, transfer or promote experienced personnel, secure equipment required by new staff members, and make special studies of the several programs affected by the improvement and expansion plans. Particularly affected, with regard to increased size of staffs, are placement operations, employer relations, industrial services, employment counseling, and labor market analysis.

A meeting of employment service administrative personnel, including the seven area supervisors, was held to discuss proposed expansion and improvement plans. As a result of this meeting, the offices in which the initial expansion was to be effected were selected. Tentative personnel and related needs were discussed in terms of the expansion potential in each of the local offices involved. One highly significant result of this meeting was the recognition of the need for reorganizing local offices to place greater emphasis on the employer relations program. Attention also was specifically focused on the need for speedier and better action in handling employer orders for workers.

In seven offices located in standard metropolitan labor market areas, and in four other offices where it was felt that immediate expansion and improvement were necessary, additional personnel were hired. These offices include Asheville, Charlotte, Durham, Fayetteville, Gastonia, Greensboro, Hickory, High Point, Raleigh, Wilmington, and Winston-Salem. An aggregate of 31 additional staff members was added to the existing staff of these offices. New appointees included 28 interviewers and three employment counselors, with an average addition of 2.8 persons to each of the eleven offices.

Appointment of additional personnel in these offices was necessary to provide the manpower required to effect the desired expansion of services. Along with expanding employment service activities, it also was necessary to improve the quality of the services. This improvement has been brought about largely through specialized training conducted by the central office personnel responsible for the various programs involved. Such programs include Employment Counseling, Services to Special Applicant Groups, Industrial Services, and Employer Relations.

In the employer relations training, which was conducted in each of the seven administrative areas, 152 selected local office staff members received instruction in the various aspects of employer relations. Due to the inter-relationship between this program and the industrial services program, considerable time was devoted, in each training ses-

—Continued on Page 88—

Long-Time Educator Named Commissioner

Seabrook

It's easy to find Dr. Seabrook in Fayetteville. After leaving the Fayetteville State Teachers College offiee, drive by Seabrook auditorium, turn off the eampus along Scabrook Field.

Several bloeks past the campus gate, you spot Seabrook recreation eenter. Turn here and drive to the third block on the left which is Seabrook Avenue.

And that's where he lives.

These are all named for the past eollege president, of course, and indieate the feeling of the people he has served for so many years. These are obvious honors, but the unseen honors are earried by the thousands of young students who have graduated from FSTC during his 23 years as president.

Dr. J. W. Seabrook, Past College President And First Negro To Serve On Commission, Appointed July 1 By Governor Sanford

Recalling his various activities since retirement, 75-year-old Dr. J. W. Seabrook says he would rather "wear out instead of rust out. Look at that waistline. You don't see many men my age," he exclaims, "with a small waistline like that!"

Indeed, the newly appointed Commissioner to the Employment Security Commission and first Negro to hold this assignment, Dr. Seabrook participates in a number of civic and business affairs that would credit a man much his junior. Past President of Fayetteville State Teachers College in Fayetteville, the venerable Seabrook says his appointment to the Employment Security Commission by Governor Sanford was "quite an honor and is a big responsibility.

"I was quite surprised by the appointment," he confesses, "because I felt that my 75th birthday might have been cause enough for a younger man to have been chosen. But I suppose the Governor considered the fact that I've served on the Advisory Council to the Employment Security Commission since 1953, having been appointed by the late Governor William Umstead. This gave me some insight into the workings of the Commission that might be helpful."

An educator for 47 years, Dr. Seabrook retired as President of Fayetteville State Teachers College in July, 1956, after serving since 1933. He succeeded Dr. E. E. Smith.

Originally from Sumter, South Carolina, Dr. Seabrook received his BA degree from Biddle University (now Johnson C. Smith University) in Charlotte, and later served as president of that institution for one year. Also a teacher at Johnson C. Smith, he subsequently became a member of the University's Board of Trustees.

For a while Dr. Seabrook taught at Winston-Salem Teachers College and served one year as dean of Kitrell College. After a year in the Army during World War I, Dr. Seabrook returned to his teaching profession in Charlotte, and then moved to Fayetteville in 1922 as dean of FSTC.

His education background includes studies at Columbia University in New York City and at the University of Chicago. Courses were in Education, Antropology, and in general teacher preparation. He received his MA degree from Columbia University. Afterwards, he recalls, his move to Fayetteville State Teachers College found the school with little more than students of high school level. During his tenure as President, the College gained precedence and became accredited under the Southern Association of Colleges and Secondary Schools. The College progressed from a two-year to a four-year degree-granting institution.

Dr. Seabrook has served as President of the N. C. Teachers Organization, Vice President of the N. C. Inter-Racial Commission, a member of the Advisory Committee of the U. S. Office of Education, a member of the Survey Commission of the Methodist College for Negro students, a board member of the Cape Fear Valley Hospital, and as a member of the Pearsall Committee.

Son of a Presbyterian minister, Dr. Seabrook's "retirement" is a misnomer.

Since leaving FSTC five years ago, he has become a licensed stock broker, an accomplishment after hours of study and work before passing his examination.

He is also Vice President and a director of Edith Jordan, Inc., makers of women's toiletries. He is also President of Rockfish Memorial Park in Fayetteville.

Dr. Seabrook reports he is "boning up" on the requirements for being a Commissioner on one of the state's leading agencies. Reading is one of his most precious pastimes. "I have time to read now," he says. According to Dr. Seabrook, from 1912 until his retirement as college President, he subscribed to and read both the daily and Sunday *New York Times*. He continues to read the *Times* in the FSTC library and he still subscribes to the Sunday *Times*.

Teaching is Dr. Seabrook's first love and continues to be. Except for his time in the Army and during the period as dean of Kitrell College, he had taught consecutively from 1909 through 1922.

One of North Carolina's most respected educators and citizens, Dr. Seabrook brings to the Commission a keen understanding of the desires of Negro people and of their environments.

Joining Thomas B. O'Connor, Bruce Davis, R. Dave Hall, W. Benton Pipkin and Maurice Van Hecke, Dr. Seabrook says his four-year appointment will be a challenge.

But his capacity as an administrator and counselor is not untested.

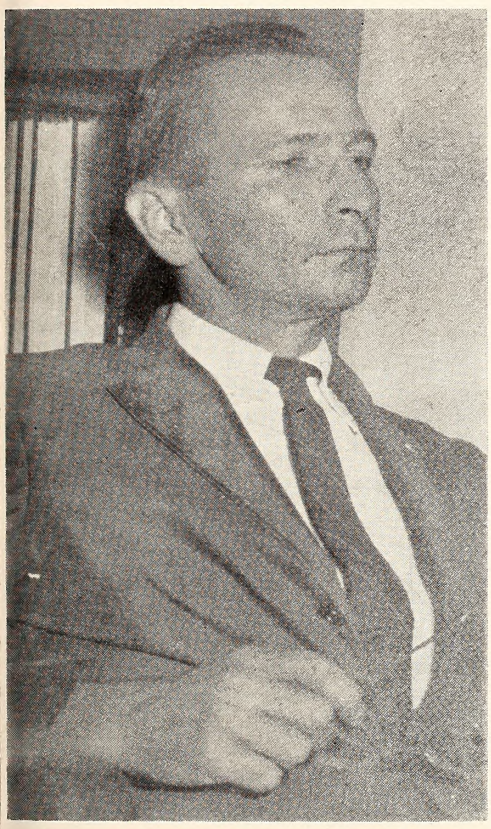
Richard Smith

Rockingham Manager Voted President Of State's IAPES

"IAPES is a challenge," says Richard Smith, "a code of ethics. If everyone would put in what he got out of it, he would certainly improve himself."

The 41-year-old manager of the Rockingham local office of the Employment Security Commission is a long-time participant in the affairs of the International Association of Personnel in Employment Security, first joining the group in 1937. He was elected president of the state chapter at the State Convention in Wilmington, May, 1961.

He will serve as president for one year. Smith has been vice chairman of the Eastern District, and past treasurer. Serving on numbers of committees since his affiliation with IAPES, he has attended three international conventions, one in Canada, another in Asheville, and more recently in Washington.



"Everything," answers Richard Smith if you ask what is the most challenging part of his job. The recently elected president of the State IAPES, defines the association as a "professional organization for people who work in employment security, working with people placing them on jobs, and reducing unemployment in the area. I believe the key word or idea of the association is 'professionalism.' We try to improve ourselves and in doing so, do a better job." With the exception of service time, Smith has worked continuously with the Commission for the past 24 years.

Smith says that over 1700 delegates attended the Washington convention and represented 47 states and 23 foreign countries. As president of the North Carolina IAPES, Smith governs a group that numbers almost 700 active and honorary members in the state and interprets the IAPES purpose as "professionalism, bettering one's self where his work is concerned, developing your knowledge and interest.

"IAPES helps an individual develop himself, particularly if he is going to make a career out of this field. For example, at the Institute this year in Chapel Hill, the program was built around the operation of the Employment Security Commission. We had speakers from the Bureau and several new programs were introduced."

Originally from Raleigh, he attended Wake Forest College and received his BA degree. Smith came with the Commission in 1937, working on the old "swing shift" when the office was above the Sir Walter Garage in Raleigh. Working from 11:00 p.m. to 7:00 a.m., he attended college during the day, and explains that he was a member of the first interviewer class conducted by the Commission.

"There were 10 to 12 people in the class," according to Smith. "When we finished, they gave us our choice and I choose Wilmington."

He worked for the ESC in Wilmington until August, 1942, and then entered the Air Force. After his release from active duty, Smith went back to the Wilmington local office. In August, 1946, he was named manager of the local office in Rockingham, and during his managership, the office had been reclassified from I to II and staff members increased from five to 14.

What's the most gratifying experience as a LO manager?

"Anytime you help a person," says Smith, "putting him to work or finding a job he is fitted to. This gives you a very good feeling." He mentions the work his office accomplished with the Ingraham Watch Company in Laurinburg. "We completely staffed the plant in Laurinburg. It has about 600 employees. To go into an area like that, staff a plant, and reduce unemployment in the area—gives a good feeling of satisfaction."

Most challenging? "Everything," he says, "from managing to carrying out all the services available through the agency. One is as challenging as the other. The Rockingham area is different from larger cities. It has a three-part program which includes unemployment insurance, employment service, and farm placement. We serve a three-county area on a non-agricultural basis, and a five-county area on an agricultural basis. It's known as the Sandhills area and is one of the largest peach-growing sections in the United States."

Smith

And, the most interesting? "The opportunity for advancement and the cooperation we receive in working with employers, helping them solve problems, rendering a service to them—I guess this is the most interesting."

In 1953, Smith was voted the "Outstanding Young Man of the Year" in Rockingham. He is a member of the local Jaycees, and has served as treasurer and on various committees with the Civitan Club. He is also a member of the board of directors for the county country club.

Smith is married to Theo Sowell from Chesterfield, S. C. who is a school teacher. They have a 15-year-old son and a five-year-old daughter. Mrs. Smith teaches the 8th grade in Rockingham, and "the boy is considering pharmacy," says Smith.

WHY LABOR SURPLUS CLASSIFICATIONS ARE INCREASING IN NORTH CAROLINA

By Dave Garrison

Assistant Director
Bureau of Employment Security Research

In January, 1961, only ten North Carolina counties were classified by the U. S. Department of Labor as "areas of substantial unemployment." By the end of November the number of so-called "labor surplus" counties in the state had increased to *48* and the number was still growing.

This sharp rise in the number of labor surplus counties does *not* necessarily mean that the economic situation has worsened in these areas. Actually, the increase in the number of counties reflects the fact that more and more employers, industrial development groups, and community leaders throughout the state are now seeking benefits under one or more federal programs which are designed to assist areas having substantial unemployment.

One of the over-all objectives of the Employment Security program is to develop and disseminate information about employment, unemployment, and labor market conditions, since this type of information frequently is of considerable value in promoting economic stability and growth. Among the various measures established to carry out this objective is the Bureau of Employment Security's area classification program which was started in the early days of World War II.

Area classifications are assigned monthly to labor market areas by the Bureau of Employment Security according to uniformly applied criteria. The classifications are based on narrative and statistical information contained in detailed labor market reports which are prepared by the Employment Security agencies in the various states—in North Carolina, for example, by the Employment Security Commission.

Area classifications are assigned on the basis of specifically defined labor market areas rather than to individual cities or communities; however, labor market areas are always named in terms of the central city or cities within the defined labor market area. Most North Carolina labor market areas consist of single counties, but several of our labor market areas are comprised of two, three, and even four counties. A labor market area may be served by more than one local Employment Security office.

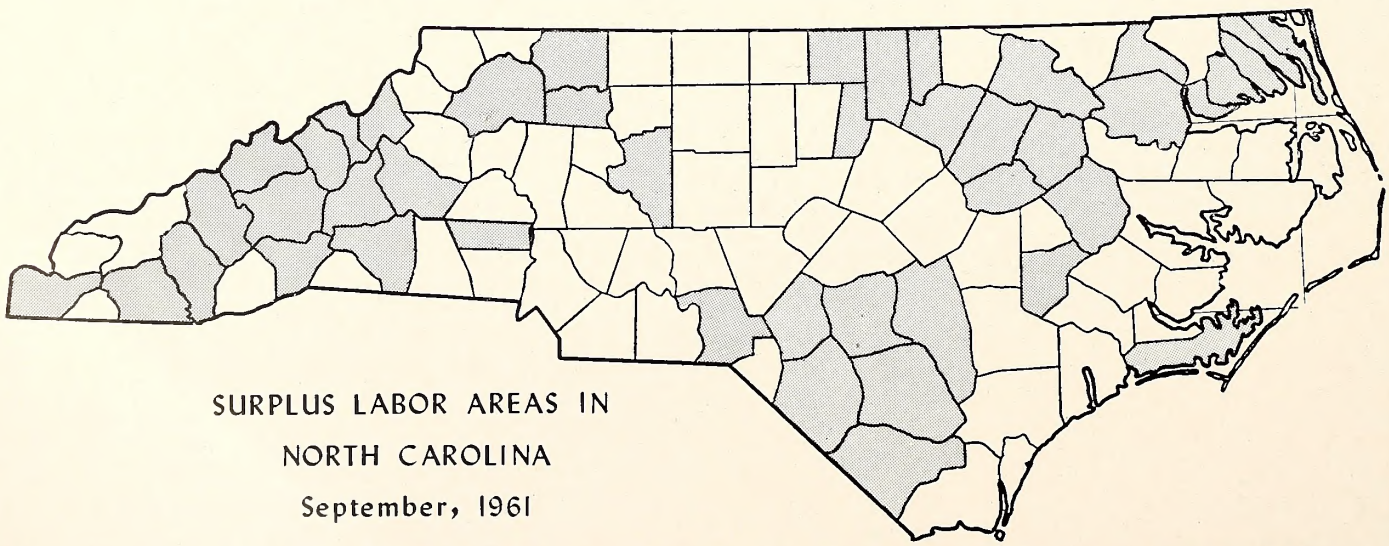
What criteria are used in designating a labor market area as one of "substantial unemployment" or "substantial labor surplus?" Perhaps the most important criterion is the relationship between the number of unemployed individuals in the area and the area's total work force. This relationship is expressed as a ratio, or rate of unemployment. In most instances, area's having an unemployment rate of six per cent or greater are classified as "labor surplus" areas. The unemployment ratio, however, is not the only factor which is used in designating a labor surplus area. Consideration also is given to the area's employment outlook, as reflected by local employers' estimates of their future manpower requirements; to the relationship between labor supply and labor demand; and to the seasonal patterns of employment and unemployment fluctuations. A labor market area must meet each of the following criteria to warrant classification as an area of substantial unemployment:

(a) The number of jobseekers in the area is substantially in excess of job openings and this situation is expected to continue over the next several months.
(b) The ratio of over-all unemployment to the whole labor force of the area is currently six per cent or greater.
(c) The labor market outlook for the next several months is for declining employment, or for no significant increase.
(d) The current or anticipated labor surplus is not due primarily to seasonal or temporary factors.

In 1960, the Bureau of Employment Security established additional criteria for use in designating "areas of substantial *and* persistent unemployment." These are the so-called "areas of chronic unemployment," or "distressed areas, depressed areas," etc., which have been so widely mentioned in connection with the recently-enacted Area Redevelopment Act. A labor market area is designated as an "area of substantial and persistent unemployment" when it is found that total unemployment is six per cent or more of the labor force, discounting seasonal or temporary factors, *and* the annual average unemployment rate in the area has been:

(a) At least 50 per cent above the national average unemployment rate for three of the preceding four calendar years; or
(b) At least 75 per cent above the national average for two of the preceding three calendar years; or
(c) At least 100 per cent above national average for one of the preceding two calendar years.

We should perhaps re-emphasize at this point that area classifications are made by the Bureau of Employment Security and *not* by the Employment Security Commission of North Carolina. It is the Commission's responsibility, however, to prepare the necessary labor market reports which are used by BES in making the area classifications. We



SURPLUS LABOR AREAS IN NORTH CAROLINA
September, 1961

Areas of "substantial or persistent" unemployment in North Carolina as defined by the U. S. Department of Labor are shown as the shaded counties. Total unemployment in these areas totals six per cent or above of the labor force. With this classification, these areas are eligible for certain considerations by the SBA and under federal financing programs and may seek benefits under the Area Redevelopment Act. To do so they must submit an over-all program for the economic development of the area to the U. S. Secretary of Commerce. Many communities are now planning local, over-all development programs under the ARA.

also wish to point out that the Employment Security Commission does not instigate labor market area studies which always must be completed prior to the assignment of a classification by the Bureau of Employment Security. Commission policy is to study and prepare labor market reports only for those areas in which an employer or some responsible individual or organization is seeking certain benefits which may be available to such groups in labor surplus areas. Benefits are available only to areas that expect to initiate some program to help better the area's situation.

Procurement Preference

Defense Manpower Policy No. Four of the Office of Civil and Defense Mobilization is designed to encourage the placing of government contracts and government facilities in areas where conditions of substantial or substantial and persistent unemployment are known to exist. Under this manpower policy, federal procurement agencies are directed to make "set asides" in appropriate cases. For example, a portion of a total government purchase may be set aside for negotiation with firms in labor surplus areas if those firms will meet the prices established through the competitive formal buying procedures. Procurement agencies are also required to give full opportunity to labor surplus area firms (whose names are on bidder's lists) to submit bids or proposals on all procurements for which they are qualified. In the event of tie bids, procurement agencies are directed to award contracts to firms located in labor surplus areas. The policy further provides for the intensification of service to labor surplus areas and encourages prime contractors to place subcontracts in labor surplus areas. Preference in awarding federal procurement contracts is given to firms operating in areas of persistent unemployment.

The intent of Defense Manpower Policy No. Four, of course, is to alleviate conditions of unemployment in labor surplus areas by channeling a greater share of the federal government's business into these areas. Many North Carolina employers and their workers are benefiting under this program.

Loans To Small Businesses

The Small Business Investment Act authorizes the Small Business Administration to make loans to small businesses and to local and state development companies to help build new plants or to expand existing small businesses. In April, 1961, the Small Business Administration's loan policies were amended to encourage and to make it easier for firms in areas of substantial unemployment to participate in SBA programs. The new policy enables the SBA to make loans to small businesses or to local development companies at a four per cent interest rate, if the small businesses receiving the proceeds are located in areas of substantial unemployment. Higher rates of interest, five or 5½ per cent, are charged on SBA loans to firms or development companies which are not located in labor surplus areas.

At the same time, the Small Business Administration also amended its size standards regulation, increasing by 25 per cent the size of a business eligible for a small business loan, small business set-aside procurement preference, and small business preference in the sales of government property, if the business is in an area of substantial unemployment.

During June of this year, the Small Business Administration made 13 loans, totaling $845,000, to small businesses and development companies in North Carolina. In months to come, it is highly probable that more small businesses will be taking advantage of the more favorable SBA lending provisions.

Area Redevelopment Act

Following the enactment in May, 1961, of the Area Redevelopment Act, Public Law 87-27, leaders in numerous North Carolina communities began inquiring as to whether or not their respective areas might qualify as "redevelopment areas." These inquiries usually are directed to the Employment Security Commission since the Area Redevelopment Act provides certain criteria by which an area may be designated as a "redevelopment area." The criteria for "redevelopment area" designation, as contained in the Area Redevelopment Act, are identical to the earlier-mentioned criteria which are used by the Bureau of Employment Security for designating "areas of substantial and persistent unemployment." It should be pointed out, however, that the classification of an area as "an area of substantial and persistent unemployment" by the U. S. Labor Department does not automatically qualify that area as a "redevelopment area" under the Area Redevelopment Act. The Bureau of Employment Security does furnish the Area Redevelopment Administrator with a listing of potentially eligible "areas of substantial and persistent unemployment." However, before financial assistance for industrial and commercial projects, public facilities, and occupational training can be given, some responsible organization in the area must first develop and submit to the U. S. Secretary of Commerce an over-all program for the economic development of the area. This program, or plan of action, must be reviewed and approved at the state level prior to being submitted to the Commerce Department.

Thus far, only two areas in North Carolina have submitted over-all economic development plans. But, judging from the number of communities which have inquired as to their eligibility status under the Act, it is evident that many other areas will be seeking benefits of the Area Redevelopment program. These benefits may take the form of:

(a) Loans for industrial and commercial projects.
(b) Public facility loans, grants.
(c) Technical assistance in evaluating the area's needs and potentialities.
(d) Occupational training of workers.
(e) Subsistence payments to workers undergoing retraining.

Meanwhile, the Employment Security Commission is making every effort to assist these communities by completing the necessary labor market reports which may lead to official classification of the areas as "areas of substantial and persistent unemployment." This in itself is not an easy task since a large number of reports must be prepared in the field by a rather limited staff of trained labor market analysts. If, however, as a result of these various federal programs, more North Carolinians are able to get or to keep jobs, the efforts will have been well worthwhile.

DEFENSE

—Continued from Page 25—

Focal point of public concern, generated by current developments, is the family fallout shelter. For this, the state and local Civil Defense directors were pretty well braced. Promoted insofar as possible by the Agency since 1958, 200,000 booklets on fallout shelters were already distributed through local directors and several organizations. Prototype shelters were already built in various sections of the state and on public display. National and state-wide publicity was considerable. About 1,000 private families had already built shelters, quietly and independently, preferring that no publicity be given.

Between July 20 and August 20 the number of fallout shelters under construction jumped approximately 5,000 and the pace continues to increase. All Civil Defense offices are swamped with requests for information. An additional 50,000 of the instruction booklets have gone out. Press, radio and television are cooperating fully with Civil Defense in getting the information to the individual citizens.

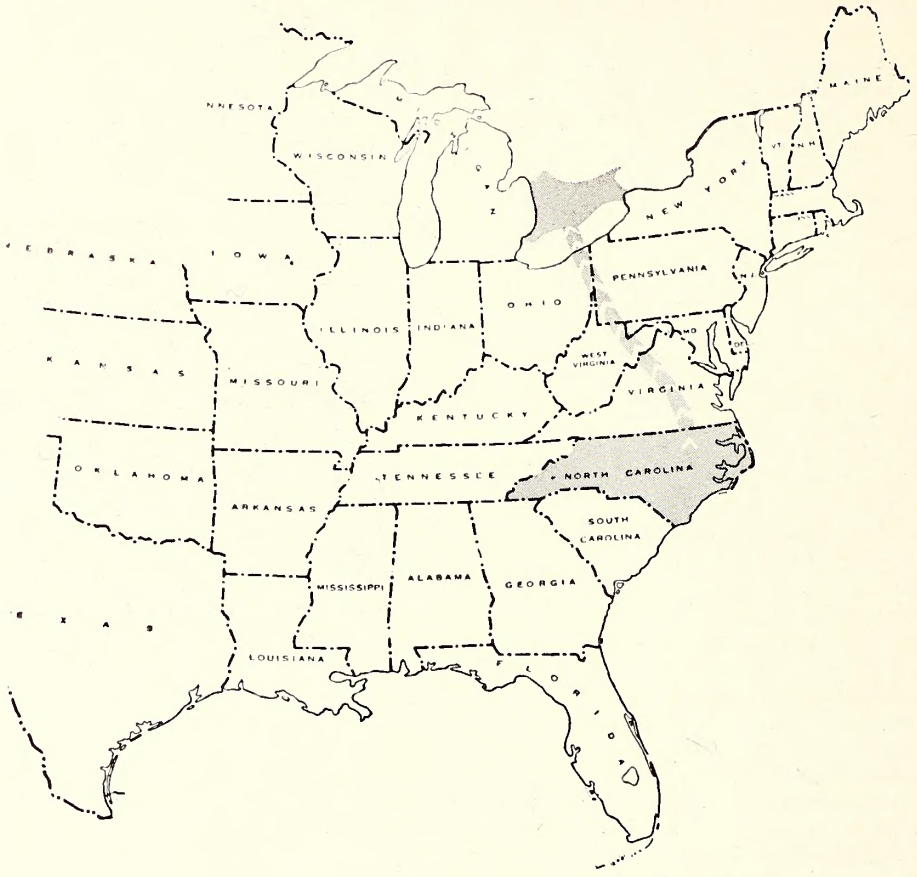
In addition to a well-developed Civil Defense Program, there is another aspect to the Agency's operation that makes it a decided asset to the state. Dollar-wise, from the standpoint of funds brought into North Carolina, Civil Defense has more than paid for itself through its administration of funds involving federal assistance, some of which have nothing to do with plans to cope with nuclear warfare.

Federal assistance under matching funds has brought in approximately $3,500,000 worth of valuable warning, communications, rescue equipment and other items. Federal assistance in natural disaster, secured through Civil Defense efforts following recurring hurricanes and other crushing blows our state has suffered, is $7,940,006. Surplus property acquired by the state and its political subdivisions through Civil Defense is valued at $4,494,532.

Canadian Planters Utilizing N. C. Skill

Carolina Farmers' Annual Trek To Canadian Tobacco

By Raymond Umstead
Farm Placement Supervisor



For about 40 years, experienced tobacco curers from North Carolina have been making the round trip to Canada to ply their trade. This movement began in 1920 with only a few dozen people involved. But as the Canadian acreage planted to tobacco expanded, more and more people made the annual trip. In 1940 a peak of 2,000 workers was reached.

This number last season was nearly 1700 which includes approximately 700 primers and tiers.

During the early days of World War II when the United States was experiencing a manpower shortage, the War Manpower Commission had to make a special survey to determine if the people who normally went to Canada were needed to fill domestic war-essential jobs. This survey showed that most of these workers were not needed locally and only a few were prohibited from making their usual trip.

One might ask why these North Carolina people go to Canada to cure tobacco and what kind of people they are. There can be no categoric answer to either question. There are almost as many reasons for going as there are people who make the trip. Likewise the types of people vary markedly. But before this point is considered, it might be well to outline what is involved in the fairly obscure tobacco-curing trade.

First Type of Curing

The first tobacco grown in Canada was cured by burning wood in furnaces running through tobacco kilns, known in North Carolina as tobacco-curing barns. This method of firing tobacco barns was readily converted to coal, natural gas, and later to gas and oil. In earlier years, tobacco grown in Canada, as in North Carolina, was harvested by splitting the stalk from top of the plant to near the bottom, cutting the plant off near the ground, and placing it astride sticks about 4½-feet long. In recent years, this method of harvesting has been changed and now leaves are pulled from each plant as each leaf becomes ripe, usually only a few at a time.

The curing process begins by starting a slow fire in the furnaces, which brings the temperature in the kiln to 90 degrees within a few hours. This temperature is maintained until the leaves become limp and lose their deep green color—usually about 12 hours. Then the temperature is raised about five degrees every six hours until a 110-degree temperature is reached. This temperature is maintained until the leaf begins to dry around its edges and becomes a rich lemon color. Then the temperature is raised over a 12-hour period until it is about 130 degrees.

The 130-degree temperature is maintained until the thin membranous part of the leaf is completely dried. When this condition is achieved, the temperature is gradually raised over a 12-hour period until 170 to 180 degrees is reached. This temperature is held until all moisture has left the stem or coarse fiber of the leaf. The total curing process takes from 3½ to five days, depending upon the texture, color, and moisture content of the leaf, and temperature of the air and wind velocity outside the kiln. Knowing just when the temperature should be changed inside the kiln is a skill which can be acquired only through experience.

Many of these people who go to Canada, including myself, have cured tobacco in Florida, Georgia, North Carolina, and Ontario. Through these experiences, we have learned that the texture of the tobacco leaf ranges from light to heavy, according to the range of climate on the North American continent. The time table in curing a kiln of tobacco, therefore, varies according to climatic conditions.

Why Do They Go?

In attempting to learn why people g to Canada, we studied a cross section o tobacco curing applicants and found tha more than 50 per cent were normall engaged in farming and that they coul make the trip because their crop wa harvested or far enough along so tha their families could complete the opera tion. Some work as carpenters or paint ers but have tobacco-farming back grounds and go to Canada between jobs Some are retired and go solely for th money. Other retired people do not nee the income but wish to take the trip as change or vacation. Still others ar "tired businessmen" who know how t cure tobacco and look forward to th annual trip. Many vow at the end o each trip that they will never go agai but they do. Some of the people who g to Canada are interested only in the ac venture of seeing a new land beyond th border.

These tobacco workers normally leav North Carolina about the last of July o early August. They travel to Canada b train, bus, or automobile—some alon and others in groups of three or mor Many of them arrive at destinations nea the Canadian border, stop off for a fe days of sightseeing, and arrive in Can da from 24 to 48 hours before they a to begin their tobacco curing jobs.

It is necessary for people who cu tobacco on farms where the tobacco kil are fired with wood or coal to sleep nea

the curing barns, usually in a bunk under a shelter adjoining one of the kilns. Working with firing barns of this type, a curer usually gets only 15 to 20 minutes' sleep each hour between dark and daylight. Curers who obtain employment where the kilns are fired by gas or oil are sometimes able to sleep several hours during the night in the home of the grower. This employment lasts from three to seven weeks, depending upon the area in which the curer is employed and the date of the first killing frost.

Good Salary

The great majority of these curers who migrate from North Carolina are employed in the Providence of Ontario and a few in Quebec. Most of them have been going to Canada to work for the same employer for eight or more years. They earn $100 to $125 a week in addition to transportation, board, and room which are furnished by the grower.

A few applicants have never had the full responsibility for curing tobacco. While many have been raised on a tobacco farm, their father or an older brother always made the final decision as to when and how much heat should be given a specific kiln of tobacco. In spite of a lack of previous full responsibility most of these workers succeed the first year. Others fail. But even those who fail gain experience in curing the Canadian type of tobacco and many do a creditable job the next year.

The Canadian growers have learned how to cure tobacco and to do the other many jobs concerned with harvesting, but they wish to get experienced workers so that they may use their time looking after the many jobs to be done on a tobacco farm.

The agreement the N. C. Employment Security Commission has with the Canadian National Employment Service and the Immigration and Naturalization Service is a workable and sensible one. It states that our local offices will issue a border-crossing permit only if the applicant has in his possession the application form E. F. 82-A admission to Canada from the United States for tobacco workers for the current season, fully filled in, and sent to him by the Canadian National Employment Service. When this form is presented at one of our local offices, a Canadian Border-Crossing Permit (for tobacco workers) is issued and the form is placed on file in the local office.

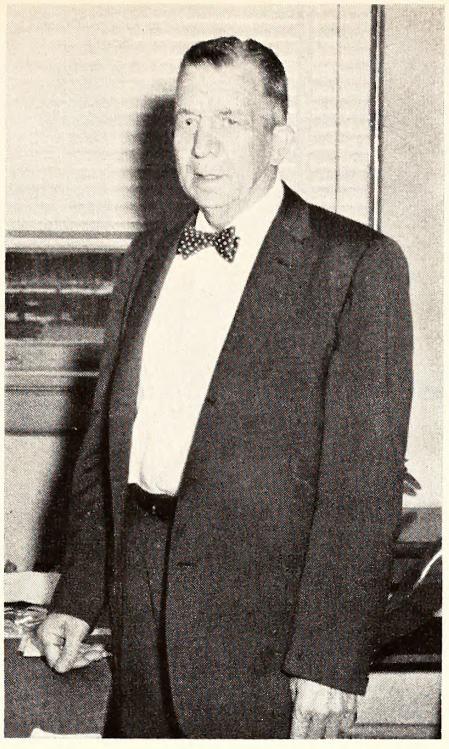
But many people come to local offices requesting a permit to work in Canada without the application for admission to Canada for the purpose of working in tobacco harvest. When told they cannot be given a permit without this form, they usually state, "You just give me the permit I'll get the job." Or they may say, "My man will come and get me at the border," or "I'll cross over on a tourist permit, and my man will get a regular permit for me after I get on the job."

Each season we receive one or more letters from a local office manager or a county agent in Canada which reads much like the following: "Please be advised that Mr. X has arrived at the home of Mr. Y, for whom he is working in this area. Kindly forward a permanent permit to Mr. Y to be delivered to Mr. X. We trust that this arrangement will be satisfactory."

We never get through a season without one or more workers returning to our local offices complaining that the employer did not live up to his part of the agreement. To complete our service to each worker, we notify the National Employment Service of these complaints. A careful investigation of the complaints by the Canadian National Employment Service representative usually reveals that there are two sides to a report of every such incident.

What is the job situation for these people when they return home? Some find that the jobs which they left have been filled. Some apply for new jobs and file claims for unemployment insurance. Some come home with self respect restored because they are now able to meet current living expense. Others are refreshed and become more vigorous in business activities.

The staff of our local offices derive considerable satisfaction from directing the flow of skilled workers to their various points of employment in this interesting and somewhat unusual occupation.



Umstead

Every ESC local office has a person assigned to work in farm placement, and there are 28 full-time farm placement interviewers within the Commission. Supervising the Farm Placement Service is Raymond Umstead, 20 years with the Commission, and 18 years in farm placement work. "No other work I'd rather do," he says.

The following conversation was taken from a tape recording made with the Public Information Officer of the Employment Security Commission and Mr. Knox Ausley, tobacco farmer from Angier, N. C. The tape was made at the Raleigh local ESC office.

"This is Knox Ausley from Angier, North Carolina, who tells me he has been going to Canada for 20 or 21 years—is that right?"

"That's right. It's a wonderful place to go to, I think. It's cool, nice, and the people were mighty good to me up there, the pay is good, so I really look forward to going every year. I've been curing up there for the same man every year and this will be my 14th year. They must be satisfied. I am. I hope to continue going as long as my health stays good."

"Well, the farmers in Canada, I know, call for specific men to come up and work their crops again for them, and sometimes they place open orders which are for people who have not been up there before. Now, I understand that you are requested by the farmer personally."

"That's right."

"And you came down to the Employment Security office here in Raleigh and got your permit to go into Canada. How do you get to Canada, Knox?"

"I go by car most of the time now. I did for a while go by train, and I've traveled by bus, and also by plane a time or two, but I get a little more satisfaction out of driving my car up."

"How long do you stay up in Canada?"

"It ordinarily runs from six to seven weeks. That just depends upon the season up there and how the weather is, rain and all, and how it holds the tobacco, but as a usual thing it takes around seven weeks."

"Do you know many of your neighbors going up to Canada in this type work?"

"Yes. There are quite a few around that I know of, know them personally you might say, maybe a dozen or more."

"Well, Knox, let me ask you simply why do you go to Canada? I realize the pay up there is a little better, isn't it?"

"Yes, it is. It's better pay and we have awfully hot weather around here, and you get there and it's much cooler and better pay than we get here."

"Do you remember how much

—See AUSLEY, Page 89—

HEADQUARTERS FOR THREE MAJOR MARINE COMMANDS

CAMP LEJEUNE

Material Prepared by the USMC Office of Informational Services, Camp Lejeune

One of the largest "industries" in North Carolina, and by far the greatest single contributor to the growing economy of Jacksonville and the eastern area of the state, is the Marine Corps Base, Camp Lejeune.

From this massive amphibious training base, situated on approximately 110,000 acres in Onslow County, an annual flow of more than $120 million pours into North Carolina's economic stream. Widely known as the "World's Most Complete Amphibious Base," Camp Lejeune houses three major Marine Corps commands—the Marine Corps Base, the Second Marine Division and Force Troops, and the Fleet Marine Force, Atlantic.

A combined strength of more than 30,000 military personnel is maintained constantly. In addition, members of the Marine Corps organized Reserve are brought to Camp Lejeune each year during the summer months to receive two weeks of training. Approximately 10,000 reservists are involved in these summer training periods. (While the Marine Corps Air Facility, New River, is situated on the Camp Lejeune reservation, it is not under the control of Lejeune-based commands. Personnel and finance figures discussed in this article, therefore, are exclusive of the Air Facility.)

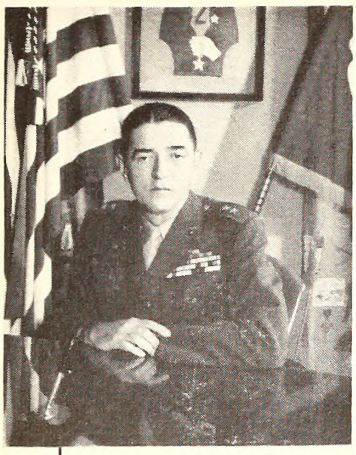
In addition to the military personnel assigned to the base, approximately 3,500 civilians are employed by the various commands and more than 40,000 military dependents make their homes on the military reservation or in the surrounding communities. A small percentage of these reservists are known to bring their families into the area during training.

Official USMC Photographs

Local disbursement for military and civilian salaries amounts to more than $75 million annually. Of this amount, approximately $61 million is paid out on military payrolls, $14 million for civilian employees. On top of military and civilian salaries, public vouchers originated at Camp Lejeune and paid primarily to North Carolina sources, account for approximately $36 million yearly. "Public vouchers" is the term used to identify money spent for purchases on the commercial market. This does not include money spent for military and tactical equipment, which is another expense contracted for, and paid by higher authority.

Public voucher money goes for materials, supplies, services and local contract work. For example, it buys fuel, office supplies and equipment, and any commercial-type items such as auto parts, furniture and building materials. It pays for services such as use of the harbor facilities at Morehead City, for which the state receives a direct annual payment of approximately $50,000. It also pays for new buildings and building repairs when work on these buildings is contracted for and paid locally.

According to Col. W. C. Ward, Jr., Base Comptroller, these figures are conservative. "Some items are not paid or originated at the local level and some items, directly related to the operation of the Base, are not paid from Marine Corps Funds," the colonel points out. Included in these categories, for example, would be money paid on contracts originated at Headquarters Marine Corps or in the Navy Department or other agency for such things as construction, expan-



MAJOR GENERAL JAMES P. BERKELEY, Commanding General, Marine Corps Base, Camp Lejeune, was Commanding General of the 2nd Marine Division at Lejeune before assuming his present command. Born in 1907 at Portsmouth, Va., he enlisted in the Marine Corps in 1927 and received his commission in 1930. After several assignments between 1934-42, General Berkeley was a staff observer in the Pacific and European theaters during WW II. He made an observation tour of the United Kingdom, Africa, and Italy during 1943, and was an observer with the 46th British Infantry Division at the Salerno landing in '43. He subsequently served in Argentine as an advisor, and embarked for Korea in June, 1954. He was promoted to Brigadier General in 1955 and began three years duty as Assistant Chief of Staff, G-1, at Headquarters, Marine Corps, Washington. Upon his promotion to Major General, he assumed duties as Commanding General, Department of the Pacific in San Francisco. In November, 1959, General Berkeley was attached to Camp Lejeune as Commanding General of the 2nd Marine Division.

MAJOR GENERAL FREDERICK L. WIESEMAN, Commanding General, 2nd Marine Division, Camp Lejeune, joined the Marine Corps in 1927 and was appointed to the Naval Academy. From Milwaukee, Wisconsin, he had many assignments after commissioning. He served at Philadelphia, Quantico, Parris Island, Washington, and Cuba, and had two tours of sea duty until 1941. With the 7th Marines, he rejoined the 1st Marine Division on Guadalcanal in September, 1942, and subsequently served in the Solomons Islands and participated in combat operations on Guam. As a representative of the Commander, Naval Forces, Western Pacific in 1948, he successfully negotiated with the Chinese Communists for the release of a Marine plane crew shot down and held prisoner in Shantung Province. General Wieseman reported to Hawaii in May, 1959, as Commanding General, 1st Marine Brigade. He was promoted to Major General that year and was assigned to Marine Corps Headquarters in Washington. He assumed command of the 2nd Marine Division at Camp Lejeune in November, 1961.

BRIGADIER GENERAL WOOD B. KYLE, Commanding General, Force Troops, Fleet Marine Force, Atlantic, Camp Lejeune, came to his present assignment from Headquarters, US European Command, Paris, France. A native of Texas, he was born in 1915. He attended Texas A. & M. College, earning an Army commission through the ROTC program in 1936. From 1936 to 1940, General Kyle saw duty at San Diego, Philadelphia, and Changhai, China. When his commanding officer was seriously wounded at Guadalcanal, 1942, he assumed command (as a major) of the battalion, refused evacuation for his own wounds, and continued to head the battalion from 1942-43. He received his second Silver Star for combat on Tarawa. After participating in campaigns at Saipan and Tinian, he returned to San Diego in 1944. In 1954 he assumed duties as Regimental Commander, 4th Marines, Japan, and in 1956 entered the Army War College. Afterwards, General Kyle served with Headquarters, US European Command. While serving at this post, he was promoted to his present rank, April, 1961.

BRIGADIER GENERAL LEWIS W. WALT, Assistant Division Commander, 2nd Marine Division, Camp Lejeune, was twice awarded the Navy Cross for "extraordinary heroism" in combat at Cape Gloucester and the Palau Islands during WW II. From Kansas, General Walt was born in 1913 and received a BS degree from Colorada State University in 1936. His appointment as a Marine second lieutenant came in July, 1936. He served in China in 1937-38, and after a short assignment in the States, began his second tour of overseas duty in 1939 at Guam. He returned to the States before US entry into the war, but volunteered to join the 1st Marine Raider Battalion and arrived with that battalion on Samoa. In 1942 he received a spot promotion to Lt. Colonel for "distinguished leadership and gallantry in action" during the Guadalcanal campaign. Ordered to Korea in 1952, he saw combat with the 1st Marine Division. For meritorious service during the Korean conflict, he was awarded the Legion of Merit and Bronze Star, and two Korean decorations. He has served with the Department of Defense, Washington, and was promoted to his present rank in July, 1961.

sion of certain facilities and renovation.

"Even though the work is done by North Carolina firms, or the necessary material is purchased from local businesses," Ward explains, "it is over and above the local public voucher figure."

Prime examples of such work are the $13-plus million Capehart housing construction now being accomplished here and the million-dollar Junior-Senior High School completed in early September.

According to the Comptroller, "the military pay figure would be much higher if all individual allotments paid by Washington were included." Most military personnel have allotments registered to their dependents or to banks. These allotments, totalling several million dollars, are not included as local disbursements and therefore are not a part of the $61 million military pay figure mentioned above.

There is no way to readily determine where "every penny" of the Camp's huge payroll is spent. However, it can be conservatively estimated that a large percentage of the millions disbursed annually from Camp Lejeune flows directly into the North Carolina economy.

STRENGTH

Military personnel	**30,000**
Civilian personnel	**3,500**
Military dependents	**40,000**
TOTAL POPULATION	**73,500**

FINANCE

Military payroll*	**$61,000,000**
Civilian payroll	**14,000,000**
Public vouchers originated at Base	**36,000,000**
TOTAL ANNUAL DISBURSEMENTS†	**$111,000,000**

All items in round figures
***Does not include Basic Allowance For Quarters or allotments to dependents**
†Based on disbursements of fiscal '60

About Camp Lejeune

There are nine chapels,

A fully accredited school system with one junior and senior high school and six elementary schools,

Fifteen movie theaters,

Five swimming pools,

Twenty-one officer, staff NCO and enlisted clubs,

Two, 18-hole golf courses,

Approximately 300 buildings for the married personnel,

Approximately 300 buildings for the housing of troops,

About 340 buildings utilized for warehouses and storage,

Five water treatment plants,

Ten central heating plants,

Eight telephone exchanges,

Twenty-one sewage pumping stations,

Seven sewage treatment plants,

For a total of over 4800 buildings and structures.

And there are 145.9 miles of improved roads,

234.0 miles of secondary roads,

48.4 miles of railroad,

197.4 miles of electric distribution lines,

257.9 miles of telephone lines,

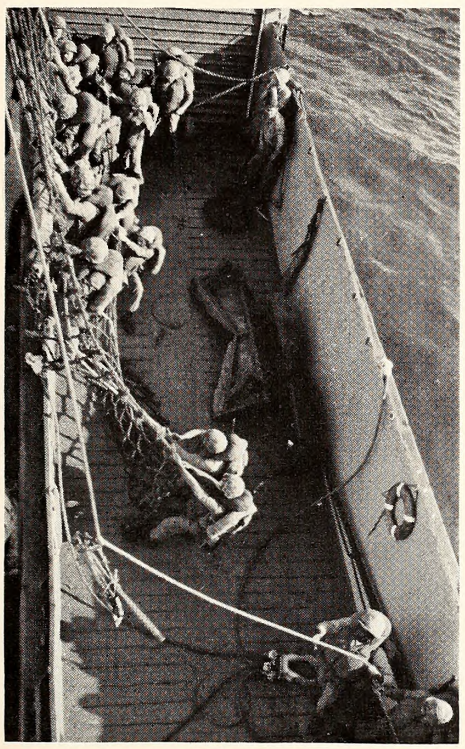
53.5 miles of steam distribution lines,

113.5 miles of water distribution lines,

And . . 318,162.9 square yards of sidewalks!

Civil Service Personnel

There are approximately 2500 Civil Service personnel employed at the Marine Corps Base, Camp Lejeune. Since this number of employees does not fluctuate to any great extent, the majority have established permanent residence in the close proximity of this activity. The payroll for the Civil Service employees is approximately $12 million annually.



Force troops scomper up o cargo net from o londing craft during exercises with Novy units off the Carolina coast.

PFC Don Critcher, Oxford, N. C., tidys up for inspection. He is a member of Durham's 41st Rifle Co., attending Marine reserve training at Lejeune.

Marines constontly troin in combat situotions. Here, o group of forword air observers conduct exercises in ground-oir support. A Morine pilot works with this team to spot torgets ond assist aircroft in close oir support missions.

Morines of Winston-Solem's 22nd Rifle Co., USMCR, prepore for o ride on a M-48 medium tonk during o lesson in tonk-infontry combat toctics ot Comp Lejeune. Marine tank crewmen (in crosh helmets), mon their positions.

There are a wide variety of skills and trades required in the accomplishment of the mission of the civil service personnel. Consequently, there are approximately 360 different job titles or ratings established for these 2500 employees. These jobs vary from highly technically professional to basically unskilled. The mission of Civil Service personnel at Camp Lejeune is the maintenance of facilities and in supply support of the military.

Civilian Employment

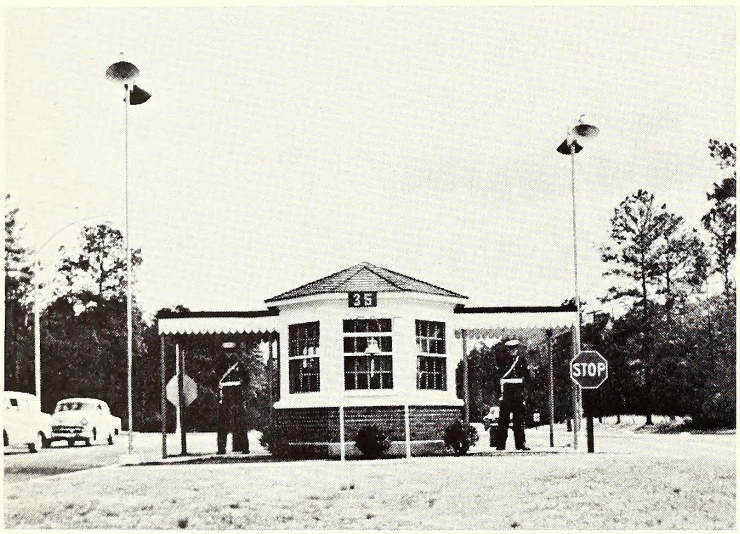
There are close to 1000 civilians employed by activities aboard Camp Lejeune other than civil service people.

Their annual payroll amounts to approximately $2 million. Personnel hired within this category are employed by non-appropriated fund activities such as the Marine Corps Exchange, Special Services and service clubs.

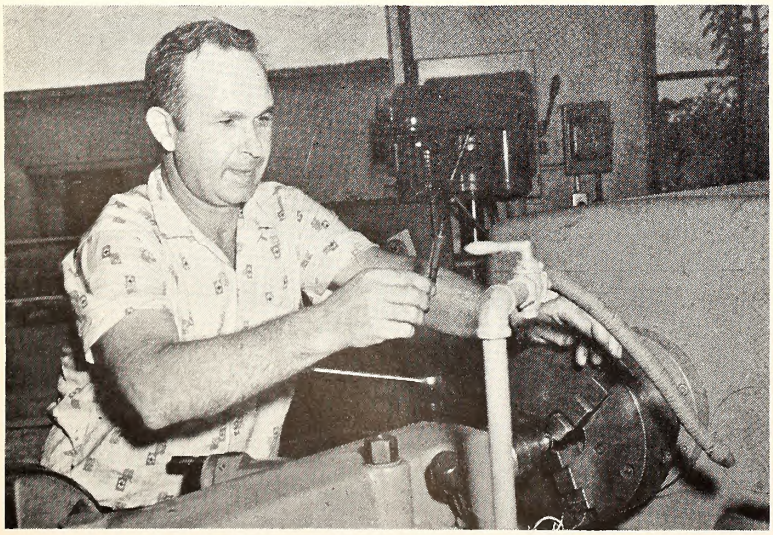
Capehart Units

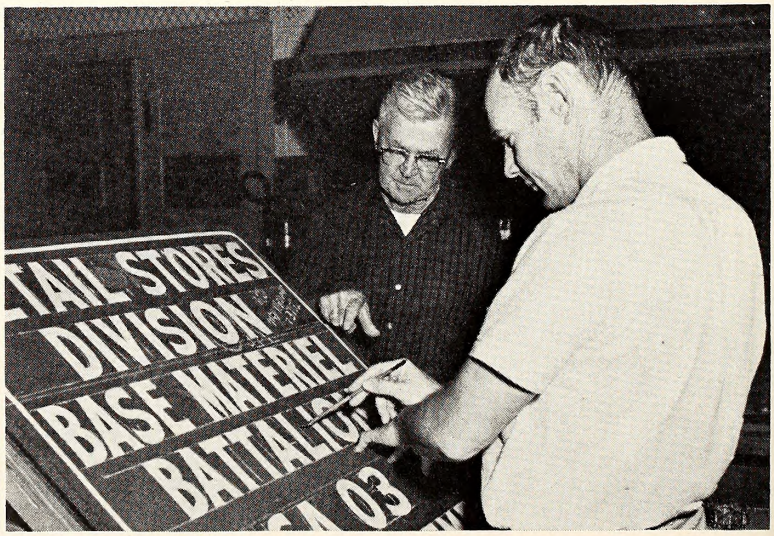
Berkeley Manor, the enlisted section of Capehart units, has a total of 677 homes of which 100 are anticipated to be completed by the end of 1961. Forty-five units are scheduled to be completed every half-month thereafter. In addition, Cukela Court, which consists of 48 field

The Naval Hospital at Camp Lejeune, beautifully landscaped and modernly equipped, has provided expert medical care to Marine and Naval personnel and their dependents for nearly 20 years. Photo on the right shows a section of the officers' Capehart housing at Lejeune, completed and occupied. One-hundred and twenty-three homes for officers and 677 for enlisted men make up the huge project which will shortly be completed.



Marine sentries personify concise military bearing at Lejeune's main gate. This post is manned 24 hours a day. Perhaps contrasting military demeanor are worship services which are conducted on Sundays and other days as required at the several chapels provided for Protestant, Roman Catholic, Greek Catholic and Jewish personnel and their dependents. Pictured is the Protestant Chapel.





On the lathe is Glen Burleson, machinist. There are over 360 different job titles and classifications for civilians at Lejeune. On the right are Phil Jackson (left) and William Quidley, sign painters. There are approximately 2500 civil service employees on the base, and close to 1000 workers who are not in civil service. A vital contribution to the community, civilian payroll amounts to about $14 million annually.

grade officer quarters, is also scheduled for completion before the end of the year. Already completed and occupied are 75 junior officer quarters located on Hill Avenue and Timmerman Place.

Lejeune's History

A few years ago this base was farm land devoted to tobacco production, peanuts, and other crops typical of this area. Some 640 families lived on the land and derived their livelihood from farming and fishing until, in 1940 and '41, the land was purchased by the Marine Corps. Construction of the new camp, later named in honor of Marine Lieutenant General John A. Lejeune, was begun in April, 1941, and completed in late 1942. It is located some 350 miles south of Washington, D. C., and 222 miles north of Charleston, S. C. The Marine Corps Air Station, Cherry Point, Lejeune's supporting Air Base, is 52 miles away and the distance to Morehead City, port of embarkation, is 45 miles.

Camp Lejeune has a perimeter of 68 miles with 14 miles of ocean front paralleled by the intracoastal waterway. The military reservation covers 170 square miles or 108,477 acres, of which 26,000 acres are water. In the industrial area of the Camp are located supply and maintenance buildings, the commissary, laundry, bakery, exchange and heating plant. A complete Naval Hospital is situated on Hospital Point.

The Base administers approximately 6000 housing units located in various areas of the reservation. Besides providing all maintenance, fire protection, water purification, police protection and other services normal to a city of over 50,000, the Base also administers its own school system under the Department of Health, Education and Welfare. Annual enrollment approaches 3000 pupils.

This brief description of the activities and composition of Camp Lejeune highlights the fact that this is a large undertaking combining all the problems of city management with the constantly increasing complexities associated with the high standard of combat readiness traditional of the Marine Corps. Visitors are always welcome at this huge base and thousands journey here annually to observe the training, recreation and routine activities of America's oldest and proudest military organization.

. . . And Its Mission

Marine Corps Base has a two-phase mission, the first to provide housing, training facilities and logistical support for Fleet Marine Force units and other units assigned.

The second phase is to conduct specialized schools and other training. This includes the organization and conduct of engineer courses, supply courses, and Basic Combat Training for newly graduated recruits. The engineer schools conduct courses in such fields as electricity, plumbing, engineer equipment maintenance and repair and demolitions. The supply schools conduct courses in food service, including the procurement, preparation and serving of food, as well as courses in automotive and truck maintenance and driving. Courses in administrative supply and disbursing for both aviation and line components of the Marine Corps are also conducted.

The major school is the Infantry Training Regiment which conducts the bulk of the training for six-month reservists who enlist under the program calling for six months of active duty and several years of membership in the Marine Corps Reserve. These men go through the training regiment for four weeks of individual combat training, followed by an additional month of advanced combat training.

2nd Marine Division

The 2nd Marine Division is the nucleus and major portion of the Marine Corps' East Coast Force-in-Readiness. With the support of Force Troops units and the 2nd Marine Aircraft Wing at Cherry Point, a reinforced rifle company could be airlifted within minutes to any troubled spot in the world, at any hour of the day or night. It can be built up to a reinforced battalion within a couple of hours. The Regiments, and the entire Division, can "move out" as fast as the aircraft or ships are available for loading. Units from the Division are stationed on guard the year 'round throughout the Atlantic area—with the 6th Fleet in the Mediterranean, on training exercises in the Caribbean, and with naval units off both the east and west coasts of Africa. Even when they are "back home" at Camp Lejeune, they conduct training exercises over Onslow Beach and in the maneuver areas of the Base. Additional Regimental, Brigade, and Division exercises are held annually at Camp Lejeune or along the eastern seaboard from Newfoundland to South America.

". . . JUST ONCE"

Captain John Lippard, USMC, is the Informational Services Officer at Camp Lejeune and has had over 20 years service with the Corps. He plans retirement after the first of the year. Much of his duty has been in public information work, and Capt. Lippard is high in his praise of newsmen and the cooperation they have given his office. "But just once," he grins, " I wish they would put in their headlines, 'ex-civilian' injured in auto wreck!"

Today's 2nd Division Marine is a trained, eager member of an efficient team that can fight anybody, anytime, anywhere.

Force Troops

Force Troops, Fleet Marine Force, Atlantic was activated on April 1, 1951. Camp Geiger was chosen as its first home, and the installation, known during World War II as tent camp, took on a new look. Existing quonsets were repaired and overhauled and 90 new cement barracks were constructed. Training began in earnest. In the ensuing months and years, elements of Force Troops participated in every fleet-wide amphibious landing exercise conducted by the Atlantic fleet. In the spring of 1958, the Marine Corps began to put into effect the reorganization of Force Troops to complement the lighter and more highly mobile Marine Divisions. The redesigned Force Troops provided the Commanding General, Fleet Marine Force, Atlantic, with heavy combat support and heavy combat service support which could be used to tailor units of the Division and Wing to meet any situation.

Training and a constant state of combat readiness, ever the hallmarks of the Marine Corps, paid off as the Marines of Force Troops and the 2nd Marine Division moved with speed and efficiency during the Lebanon crisis. Within a matter of hours after orders were received, elements of Force Troops had joined with units of the Division to form a landing force tailored to meet the particular situation in Lebanon and were on the high seas.

In April, 1959, Force Troops marked another first when the entire command took to the field for TraLex 2-59 to test heavy combat service support capabilities.

New River Air Facility

The Marine Corps Air Facility, New River, was initially occupied in 1944 and closed shortly after World War II. It was reactivated in 1951, and in 1954 the first helicopter group was assigned to the facility. Since then, facilities have constantly been modernized and improved to provide the best working, operating and living conditions possible. Commanded by Col. William C. Humberd, USMC, New River is manned by approximately 2000 officers and men and the facility is utilized as a base of operation and training for Marine Aircraft Group 26 in conjunction with troops stationed at Camp Lejeune. Though located at Camp Lejeune, Marine Corps Air Facility comes under the operation control of Marine Corps Air Station, Cherry Point, N. C.

The helicopter group is composed of a Hq. and Hq. Squadron, a Hq. and Main Squadron, Marine Air Base Squadron, four light helicopter squadrons and one medium helicopter squadron. The Marine

helicopters which snatched astronauts Shepard and Grissom from the Atlantic this summer, after their successful space shots, were manned from New River.

Naval Hospital

The U. S. Naval Hospital at Camp Lejeune was commissioned in 1943, at a construction cost over $75 million. Patients were admitted as transfers from the Field Hospital, Camp Lejeune, which up to that time had cared for the sick and injured of the entire Marine Barracks. The largest patient load during World War II was 2087 in the fall of 1944. Beds were placed on the passageways, and double-deck bunks were used extensively. At times, as many as three wards were used exclusively for malaria patients.

In July and August, 1950, the hospital began receiving Army patients from Korea; a large number of these were frost bite cases. Hospitalization of Army patients lasted for about a year. The largest patient load during the Korean War was 1865.

In March, 1958, the hospital assumed responsibility for outpatient care of dependents.

ESC SERVES LEJEUNE AT DISCHARGE CENTER

By Dwight Leonard

Veterans Employment Representative
Jacksonville ESC Office

Camp Lejeune, the permanent home of the famed 2nd Marine Division, is located about five miles from Jacksonville, N. C. This vast military reservation covers over 1,000,000 acres of land and water or approximately 175 square miles of North Carolina, and contains a shore line of 12-15 miles where amphibious warfare training is carried out.

Since its inception in 1941, Camp Lejeune has played host to many thousands of servicemen who have entered the military service as regulars or as reserve personnel on active duty to play a major role in the defense of our country. Many of these veterans, after serving two or three-year enlistments on active duty, are discharged at the rate of 500 to well over 1000 per month through the separation points of the Marine Corps Base, 2nd Division and Force Troops, Camp Lejeune, and the Marine Corps Air Facility, New River. Records indicate that during the past few years there has been a steady decline in the number of persons discharged who are in the veteran category; however, it is expected that this number will increase considerably over the next few years, as those who entered military service in the early 1940's, during World War II, are now reaching retirement eligibility. The separation center does not exist as a central place where all military personnel are discharged. The process of separation is actually carried out at the company or unit level. Reenlistment and Personal Affairs personnel of the various units are encouraged by their Commanding Officers to make known to dischargees, the services of the Veterans Employment Representatives of the N. C. Employment Security Commission so that the VER may contact him individually on a voluntary basis, as indicated in existing Marine Corps Base orders. At this point the Veterans' Employment Service of the Employment Security Commission of North Carolina extends many services to dischargees through the Veterans Employment Representative assigned to the Base Education office. Services are rendered in conjunction with the activities of the reenlistment offices of the several Commands, in cooperation with the Marine Corps Base Special Services, for utilization in the furtherance of their programs of Veterans' Affairs and Civil Readjustment. In carrying out the VES program on the military base, due care is exercised at all times by the VER to preclude hindering in any way the military reenlistment program.

The Veterans Employment Representative maintains a regular office at the Base Education Office where he is available for interviews with dischargees to assist them with their many problems, and to carry out other programs in the interest of veterans. The problems presented are greatly varied, and those that do not come within the scope of the VER to deal with effectively, are coordinated with other facilitating agencies and organizations, such as the Veterans Administration, Bureau of Veterans Reemployment Rights, Vocational Rehabilitation and the County Veterans Service Officer, so that the problems may be completely resolved. Services available include furnishing information regarding employment outlook in the different fields, and information covering Federal Benefits provided for veterans and their dependents under the Servicemen's Readjustment Act of 1944 and the Veterans' Readjustment Assistance Act of 1952. Services also include Employment Counseling for dischargees seeking guidance in their vocational selection. General aptitude (GATB) tests and interest inventories are administered, when needed, as an aid in counseling to indicate the persons underlying ability or potential for different fields of work. With this and other information on educational background, military experience, interests, and personal factors, in most cases applicants are able to make a practical vocational choice and are easier assisted in locating suitable employment. Work resumes are accepted from retirees seeking a second career upon termination of active duty status and are transmitted to the U. S. Employment Service for consideration in professional fields. All available facilities, including the intra-state and interstate clearance systems are utilized in locating suitable employment for veterans and other ex-servicemen in the State of North Carolina and through other out-of-state employment agencies. Preferential treatment of veterans with particular emphasis on special services to the physically handicapped is a continual practice which assures veterans of their rights in all phases of the selection, referral and placement process of the Employment Security Commission.

The excellent cooperation and assistance given by military personnel, both officer and enlisted, has resulted in a very effective program of assistance to veterans and other servicemen in a more rapid and better assured readjustment into civilian life.

SELECTIVE SERVICE

—Continued from Page 31—

for the three-to-six months Reserve Training Program.

High Number of Registrants

With 738,500 registrants, North Carolina ranks eighth among the 50 states in size of registration. Of these registrants, 648,000 have been classified. This involved millions of classifications because the local boards must reclassify each registrant when he reports a change of status that warrants such action and, furthermore, must review each individual's file once a year and reclassify any whose status may have changed. Local boards have forwarded 231,000 men to examining and recruiting stations for armed forces physical examination. The armed forces are responsible for determining whether the individual is physically, mentally, and morally acceptable. As men are examined, they are grouped into four categories:

(1) Those acceptable at time of examination.

(2) Those who will be acceptable to the armed forces when a national emergency exists.

(3) Those not acceptable to the armed forces, but acceptable for some civilian activity in the event of a national emergency.

(4) Those not acceptable to the armed forces or for any type of civilian work.

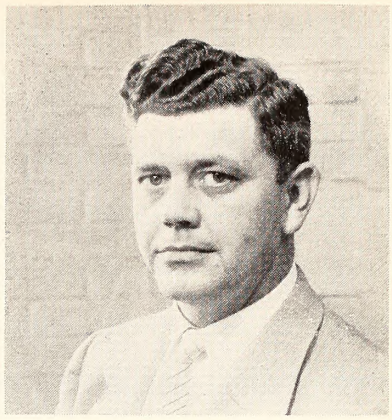
The North Carolina Selective Service system has supplied for induction 83,691 men since re-establishment of Selective Service on June 24, 1948. It is estimated that 110,000 North Carolinians have entered the armed service by initial enlistment during the same period.

Civil Defense must be prepared to accomplish its mission under the most adverse circumstances, and to insure that each segment of the System will be in a position to operate, perhaps, with little or no direction. Every segment of the system must have all the capability of the whole. The system must diligently inventory and catalogue the available manpower for use in event of an all-out national emergency for the use of the armed forces, essential industry and agriculture, and Civil Defense needs.

GROWTH THROUGH COOPERATION

Once A "Sleepy Community," Jacksonville Now Bustles With Marine-Civilian Activity

By Bob Page, *Mayor, Jacksonville, N. C.*



Page

The establishing of Camp Lejeune, the world's largest amphibious training base, has brought about many changes in eastern North Carolina's Onslow County Seat of Jacksonville.

In 1940, Jacksonville was a small rural community of 873 people. For nearly 250 years, Onslow County residents had farmed, fished and hunted by the sea. It was noted for hams, oysters and fresh water fishing in the New River which is the only large stream in North Carolina to have both its headwaters and mouth in the same county. New River, only approximately 40 miles long, is from two to five miles wide below Jacksonville.

In 1941, the United States Marine Corps established Camp Lejeune and the population of this once sleepy community began to expand. By 1950, the population was 3,960 and by 1960 it had jumped to 13,491 within the corporate city limits of Jacksonville.

The commercial and residential areas of the city have grown accordingly and is unique in its development and activities.

The commercial areas have developed according to the type trade. Much of the old section of Jacksonville caters to the off-duty Marine and does not come to life until late afternoon each day. This section is dominated by clothing and jewelry stores, barber shops, restaurants and theaters, etc.

Other sections, including a modern shopping center, are designed to meet the family needs. The stores are modern up-to-date establishments carrying name brand merchandise at prices comparable to any city in the nation.

Jacksonville's residential areas are well planned and the homes are modern and well spaced on lots of 60 ft. or more frontage. The majority of the homes have been built in subdivisions by developers, who have installed paved streets, curbs and gutters, water and sewer lines and landscaped the lawns.

The residential area continues to grow with one developer having just announced plans for a 750-home project. Construction of streets and lot layouts are already underway.

The number of schools of Onslow County has grown tremendously due to the establishment of Camp Lejeune in the area. To meet the needs of the school system, the voters of Onslow County approved a $1,600,000 school bond issue in 1960. To briefly give some idea of the growth of the school system, Onslow County had an average daily attendance of 5,953 students in 1952, and in 1961 the daily average attendance was 11,145.

Present school facilities are rated as some of the best in the state, but additional facilities are needed to adequately serve the growing requirements. Schools in Onslow County now rank 30th in the 100 counties of the state; and when the present planned construction is completed, it will be one of the best systems in the state.

Onslow County has long been known as a County of Churches and along with the other changes the religious life of the area has expanded. New churches of all denominations have been built in the area and old churches expanded and improved to meet the ever expanding needs of the citizens of the area, both civilian and military. Military personnel and their families take an active part in the church activities of their denomination.

Modern highways make Jacksonville accessible to all parts of the state and nation. U.S. 17 serves areas to the north and south and N.C. 24 serves areas to the east and west. U.S. 258 and N.C. 53 also serve the area. Although the business districts have been by-passed, the by-passes are within one block of the commercial areas and serve as arteries to handle a tremendous volume of local and thru traffic. One section of U.S. 17 and N.C. 24 accommodates more than 19,000 vehicles per day.

Jacksonville has two modern radio stations and a daily newspaper with a circulation in excess of 8,500 at the present time. As in other commercial establishments, the radio stations and the newspaper employ Marine Corps dependents and off-duty personnel.

The City of Jacksonville has a full-time recreation staff to plan and supervise recreational activities for both civilians and military personnel and dependents living in the area. Many servicemen actively participate and assist in the recreational program.

Jacksonville has three modern community recreational buildings and another on the drawing board to serve the requirements of the area. It also has four theaters, three Drive-Ins, a U.S.O., a country club with an 18-hole golf course, a golf driving range, a Putt-Putt Golf Course, a beautiful river and streams for boating and fishing.

Civic Clubs in Jacksonville number 27 at the present time with both civilian and military personnel taking an active part in the programs to improve the community and area.

In 1952, to serve the needs of a growing community, Jacksonville adopted the Manager-Council form of government and secured the services of Hugh B. Hines as the first City Manager. In 1956, the City Government moved into a new modern City Hall in which was included a spacious auditorium which will seat 800. The City Hall houses the administrative offices, Fire Department, Police Department and the Military Police.

The four members of the Council are elected from the four wards of the city by the voters from the city at large.

W. R. Page, Jr. was elected Mayor in May, 1961 for a two year term. W. Ed Brown is Mayor Pro-Tem with councilmen Ennis Murrell, E. S. Bush and Mrs. Frances Johnson serving similar terms as elected members.

In 1944, the business and professional men of the area recognized the need for a Chamber of Commerce and formed one to promote the area. The Chamber was a volunteer organization until 1956 when it was expanded and a full-time staff was hired to assist with the expanded program. Roy A. Stevens has been the Manager of the Chamber for the past 4½ years. Stanley E. Wainwright is serving as President during this year.

How has Camp Lejeune affected the community of Jacksonville and Onslow County?

It has been the basis for the phenomenal growth of the area and is a vital part of the area.

Many of the business and professional men in the area are former Marines who were stationed at Camp Lejeune; and when they completed their enlistment, they entered business in the area. Many of the employees are Marine dependents or retired Marines.

Jacksonville is a metropolitan area made up of native Onslow Countians, people who have moved to the area and Marines who have retired in the area.

The only difference between civilians and Marines is that the Marines go to work each morning in uniform while the civilians go in business suits.

Dedicated Civilian Soldiers . . .

N. C. NATIONAL GUARD

By Lt. Col. Charles S. Manooch
Information Officer
Dept. of the Adjutant General

The North Carolina National Guard is a standing symbol of today's modern minute men. Its members feel it is the most dedicated military organization in the state, and they are ready to protect life and property in the Tar Heel State and the rights of free people anywhere if the call should sound.

The N. C. National Guard, strategically located in 102 communities and 76 counties, has 132 units and over 11,000 men in its organization.

The N. C. Air National Guard, based at Charlotte, Badin, and Wadesboro, has over 900 officers and men, and with its hugh C-119 transport type aircraft has an adequate aero-medical evacuation capability. The N. C. Army National Guard, with units located in communities throughout the state has over 10,000 men in its ranks. The 30th "Old Hickory" Division with over 9,000 officers and men is the largest component of the N. C. National Guard and is rated as one of the top priority National Guard divisions in the military structure. Famed for its breaking of the Hindenburg Line during World War I, and rated by many historians as the finest infantry division in the European Theater of operations during World War II, it is constantly training to meet any situation that might arise as a result of world tension. Other Army Guard units in the state include the 252nd Artillery Air Defense Group located in southeastern North Carolina with headquarters in Wilmington; the 16th Special Forces, also of Wilmington; and the state Headquarters Detachment and the 205th Dental Team located in Raleigh.

Together, units of the N. C. National Guard comprise a formidable force capable of coping with any emergency in the state whether caused by natural disaster, riots or enemy aggression.

Guard Has Dual Mission

The National Guard, unlike other military organizations, has a unique dual mission which makes it an important part of the country's defense structure. In peacetime the Guard serves its particular state with the respective Governor as Commander-in-Chief. In time of war it serves the United States with the President of the United States as its Commander-in-Chief.

The mission of the National Guard of the United States is to provide units of the reserve components of the Army, adequately organized, trained and equipped, and available for mobilization in the event of national emergency or war. In accordance with the development schedule, these units must be capable of participating in combat operations to support the Army's war plans. This mission may include the defense of critical areas of the United States against attack.

The mission of the National Guard of the several states is to provide sufficient organizations in each state, trained and equipped to enable them to function efficiently at existing strength in the protection of life and property and the preservation of peace, order, and public safety, under competent orders of the state authorities.

The existence of the National Guard in North Carolina, under the command of the Governor, is a highly important security factor. Units are available to the Governor to be used at his discretion in times of natural disaster and as law enforcement troops. Yet due to the federal support of the Guard in arms, pay, and equipment, it places a very small tax burden on the state for the security guard.

Proud Heritage

With the longest continuous history of any military organization in the United States, the National Guard is made up of civilian soldiers and is a proud outfit! The Guard traces its origin back to the 17th century. George Washington illustrated the basic principle of the civilian service in his statement to the first Congress: "Every citizen who enjoys the protection of a free government owes, not only a portion of his property, but even of his personal services to the defense of it." Throughout the years his concept has been vigorously observed by the Guard and it has fought through every major conflict in which this country has been engaged.

Units of the N. C. National Guard have served with distinction both at home and on foreign soil. Probably their most glorious accomplishments were attained during World Wars I and II when the valor in battle reflected much credit on the Tar Heel State. Some North Carolina National Guard units were also called into service during the Korean conflict, including the entire N. C. Air National Guard.

In peacetime the Guard has played a key role in relief missions throughout North Carolina during times of natural disaster. Thousands of Tar Heel Guardsmen have been called out to render assistance during the last several years as such devastating hurricanes as Hazel, Diane, and Connie struck the Carolina coast. Patrolling to prevent looting, rendering first aid, medical evacuation, food re-supply, and evacuation of persons from flooded areas are only a few of the tasks assigned Guardsmen. As part of its readiness efforts, the National Guard maintains six large amphibious vehicles strategically located along the coast to be pressed into immediate service in the event of future hurricanes.

In 1960, several snow storms in western North Carolina isolated many families. Guardsmen immediately responded as several units teamed up with personnel of the active Army and Red Cross to provide aid and comfort to those marooned by deep snow.

Severe weather is not the only factor which will call the Guard into state service. Hundreds of troops have been used to search for lost persons. Guardsmen have been used in areas to assist local authorities restore peace. Earlier this year, Guardsmen were pressed into state service to help locate an escaped killer who had terrorized a rural community for several days. The Guard responded to that call with determination, and, using a highly professional search method, found the criminal within a few hours.

Grass Roots

In addition to providing security to the state and nation, local Guard units play a vital part in community activities. Butchers, bakers and candle stick makers—professional men, white-collar workers, mechanics and students—these are the every-day professions of the thousands of men who make up the N. C. Army and Air National Guard. They lend their time and skills to their avocation, one that continuously enforces the security of each man, woman, and child in North Carolina. These men are your neighbors, business associates, lodge brothers, fellow students, and are members of your church. They are a vital part of your community.

These men who give their time to train with the Guard also contribute much to public service in each community. Performing a vital community service of guidance, the National Guard works closely with youth groups and organizations such as the Traffic Safety Patrol, Civil Air Patrol and Boy Scouts. In this way Guardsmen learn first hand the principles of friendly assistance, leadership and cooperation with others. As an integral part of its particular community, each Guard unit works hand in hand with other citizens in providing needed benefits for all its people. In many communities the National Guard armory is the largest community structure in which large groups may assemble for civic meetings, local entertainment, athletic events and other community gatherings. Fifty new armories have been constructed in North Carolina since World War II and many more are scheduled for construction.

Guardsmen Also Benefit

Indeed, citizens benefit by the presence of a National Guard unit. Guardsmen themselves gain much through its membership. Young Guardsmen begin their training while they are still living at home and going to school or working at their civilian jobs. They are able to enter into military training gradually with friends, most of whom are their own age. They receive their first lessons as soldiers along with other young men, members of their own community who are also citizen soldiers. Guardsmen are subject to discipline which is a necessary part of the Guard program. Led by men trained to instruct others, the Guardsmen receives valuable lessons on how to take orders so that some day they will know how to give them—that fundamental lesson which many find so difficult to learn in civilian life is one of the great benefits of Guard training. Of prime importance to many young Guardsmen and their parents is the fact that much of this character-building training is received while the young man is living at home under the guidance of his parents during the difficult years when a boy becomes a man.

Guardsmen derive many benefits from service schools of administration and technical nature in the fields of electricity, maintenance, supply, aviation, etc. Upon graduation from a service school each young Guardsman is better equipped both mentally and physically. The individual Guardsman, as a result of his National Guard training, becomes a better citizen and a respected member of his community.

National Guard is Big Business

Of great consequence in mentioning the advantages derived by the presence of a National Guard unit to the state and community is the monetary benefit. It is not unusual for a full sized National Guard unit's annual payroll for weekly drill and summer field training pay to exceed $50,000. It should be of interest to each citizen that all pay and allowances for Guardsmen come from the federal government. The presence of the National Guard unit in each community means that a sizeable amount of extra money will be spent there—money which would not be available if a Guard unit were not stationed locally. Over $5 million in federal money comes into North Carolina each year to pay National Guard troops. In addition, hundreds of thousands of federal dollars are being spent in this state's accelerated armory construction program. The National Guard in North Carolina has a great influence on our economy and could be certainly classified in the category of large industry.

The National Guard saves the tax payers' money in many other ways. Compared to his counterpart on active duty, a Guardsman requires about one-sixth the amount of money to maintain him. Except for weekly drills and a few days at summer field training each year, the Guardsman houses, feeds and clothes himself as a normal civilian.

Guard Is Essential

Do you know someone in the Guard? Probably so, because of all the military activities that are not on actual active duty status, the National Guard is probably the best known. With over 11,000 North Carolinians participating in this military service, the local Guard unit is an integral part of the community. Young men join the Guard together, attend drills together, serve and participate in field training together. Unlike his companion in military reserve components who attends active duty for training singly or in small groups, the Guardsman attends summer camp with his unit. "The Guard is out of town," or "the Guard comes home tomorrow," are familiar comments in the towns and communities of our state when the Guard is on field training—and employers are happy when two-week's training is completed for another year.

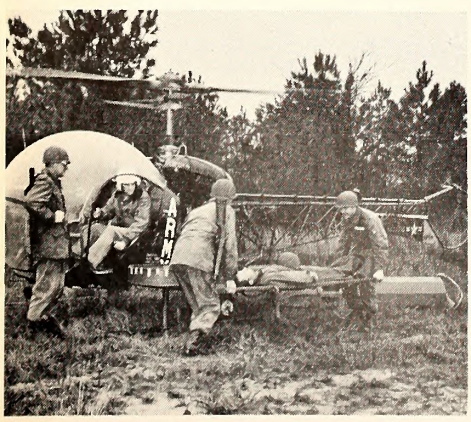
The world situation today indicates that this country will be required to pay a high price for survival. Our own security is just one part of the great world problem. Unquestionably, America's security is far the most important for upon it rests the security of the entire free world. The National Guard today, due to its dual mission and dedicated service to this state and nation, is destined to play a major role in the defense of America.

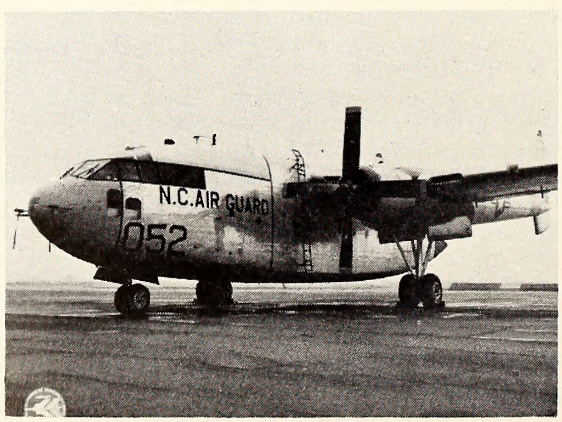
MAJOR GENERAL CLAUDE T. BOWERS, Adjutant General of North Carolina, was born in July, 1899. He entered N. C. State College in 1918 and enlisted in the National Guard in 1921. In 1938 he was promoted to a major and named commander of the 1st Battalion, 120th Infantry. Entering active service with the Guard in 1940, he served with the 30th Infantry Division and left in June, 1943 for duty in Europe. He served with the 1st Division in Sicily and with the Third US Army. After the war, General Bowers became chief of staff of the Guard's 30th Division and was promoted to Brig. General. He was promoted to Maj. General in 1954 and became Commanding General of the Division. He became North Carolina's Adjutant General in February, 1961. In addition to his National Guard Service, General Bowers is prominent in civic affairs. He is a member of the Warren County Chamber of Commerce and is president of the Warren County Development Company, a non-profit group. A Baptist deacon, General Bowers has been active in Boy Scout work for over 20 years. On August 1, 1958, General Bowers became Chairman of the N. C. Veterans Commission by appointment from Governor Hodges.

BRIGADIER GENERAL WESTON H. WILLIS, Commander, 30th Infantry Division, N. C. National Guard, and a native of Jacksonville, was commissioned a second lieutenant in July, 1931. He entered federal service with the Guard in 1940 as a captain. During WW II, he served in the European theater and saw action in Normandy, France, and central Europe. When the Guard was reorganized after the war in 1948, General Willis resumed his career as a citizen soldier as a colonel. He was promoted to Brig. General in 1957, and became Commanding General of the 30th Division Artillery in 1959. General Willis has spent his entire military career as an artilleryman. He is a graduate of the Artillery Officer Battery Course, the Advanced Artillery Course, and the Command and General Staff College. In civilian life, General Willis is assistant postmaster at Jacksonville, N. C. As Division Commander, he replaced Maj. General Edward F. Griffin who retired on August 31, 1961, after 38 years of National Guard Service. General Griffin is an attorney in civilian life and is now serving his third (four year) term as State Director of Civil Defense.

Lt. Generol Clark Ruffner (top left) inspects members of the 30th Infontry Division of the N. C. Nationol Guord during tactical moneuvers while ot summer training ot Ft. Brogg. On hurricane duty (top right), Guardsmen prepare to enter building to search for a suspected looter. Guordsmen walk o lonely patrol after hurricane Hazel struck the Corolino coost, ond load their rifles with live ommunitian to seorch for an escaped killer in the Wake County oreo. Helicopter of the 30th Aviotion Company is used to evacuate injured mon to medicol focilities. One of the Air Notional Guord's hugh C-119 oircroft (bottom right) is parked at the Guord instollotion ot Morris Field, Charlotte, N. C. These photographs depict the vorious duties of the Guord in its unique federol-state dual responsibilities in any emergency.

Official NCNG Photos





I AM THE GUARD

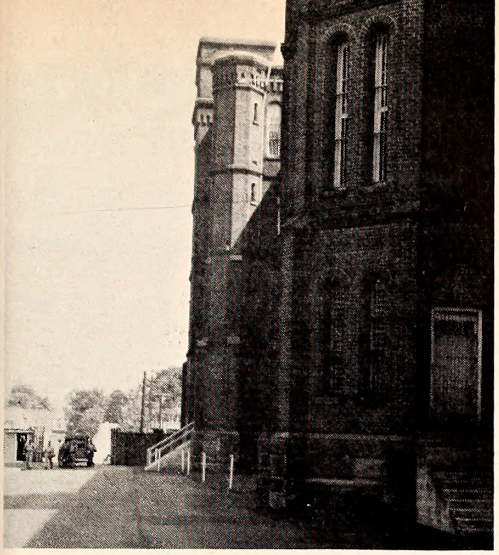
"Civilian in Peace, Soldier in War, of security and honor, for three centuries I have been the custodian. I am the Guard.

"I was with Washington in the dim forests, fought the wily warrior, and watched the dark night bow to the morning. At Concord's bridge, I fired the fateful shot heard 'round the world.' I bled on Bunker Hill. My footprints marked the snows at Valley Forge. I pulled a muffled oar on the barge that bridged the Delaware. I stood with Washington on the sun-drenched heights of Yorktown. I saw the sword surrendered. I am the Guard. I pulled the trigger that loosed the long rifle's havoc at New Orleans. These things I knew—I was there! I saw both sides of the War between the States—I was there! The hill at San Juan felt the fury of my charge. The far plains and mountains of the Philippines echoed to my shout. On the Mexican border I stood. I am the Guard. The dark forest of the Argonne blazed with my barrage. Chateau Thierry crumbled to my cannonade. Under the arches of victory I marched in legion. I was there! I am the Guard. I bowed briefly on the grim Corregidor, then saw the light of liberation shine on the faces of my comrades. Through the jungle and on the beaches, I fought the enemy, beat, battered and broke him. I raised our banner to the serene air on Okinawa. I scrambled over Normandy's beaches. I was there! I am the Guard. Across the 38th Parallel I made my stand. I flew MIG Alley. I was there! I am the Guard.

"Soldier in war, civilian in peace. I am the Guard.

"I was at Johnstown, where the ranging waters boomed down the valley. I cradled the crying child in my arms and saw the terror leave her eyes. I moved through smoke and flame at Texas City. The stricken knew the comfort of my skill. I dropped the food that fed the starving beast on the frozen fields of the west and through the towering drifts I ploughed to rescue the marooned. I have faced forward to the tornado, the typhoon, and the horror of the hurricane and flood. These things I know. I was there! I am the Guard. I have brought a more abundant, a fuller, a finer life to our youth. Wherever a strong arm and valiant spirit must defend the Nation, in peace or war, wherever a child cries, or a women weeps in time of disaster, there I stand. I am the Guard. For three centuries a soldier in war, a civilian in peace—of security and honor, I am the custodian, now and forever. I am the Guard."

Originated by Charles Chappell.
Produced by the National Guard Bureau.



Central Prison

PRISONER COMPLETES SENTENCE . . . AND THEN

By Garland B. Daniel, *N. C. Prisons Department*

When the gates open for a prison releasee, what are chances of finding a job? Prison officials have a job placement program, and it's paying off.

When John was received at one of the North Carolina Prison units under a sentence of twelve months for larceny of an automobile, he was a frustrated and resentful young man. He did not intend to accept gracefully the rules and regulations of the Prison Department. In addition to having a number of prison rule infractions during his imprisonment, he escaped twice but was quickly captured after each escape. These escapes resulted in additional sentences of six and twelve months.

Subsequently, he was brought before the Control Classification Committee where his situation was discussed and he was given an opportunity to freely express himself. It was pointed out that it was not to his advantage to continue his former attitude and conduct. If he improved and learned a trade, he would have a good chance of securing employment and being accepted in the community when he is released from prison.

Thereafter, John improved in attitude and conduct and when he attained Honor Conduct status was assigned to the Central Motor Pool as a mechanic helper. He had little regular employment before coming to prison, but worked irregularly as a mechanic helper at a garage near his home and said he liked this type of work.

John became a fair mechanic while working at the Motor Pool and near the time of his discharge from prison, he wrote a number of people in an attempt to secure an offer of employment. He was unable to secure an offer of employment of any kind.

John was released when he completed his sentence and returned to his former community. He had the feeling that his family was not too glad to have him back, and he was unable to secure employment. He became discouraged and drifted back to some of his old drinking companions and bad habits, and it was not long before he was back in prison on another sentence.

John's situation was similar to a large number of others who had completed their sentences and returned home.

The North Carolina prison authorities have made great strides in rehabilitation programs, but these efforts would be wasted if they were not followed up with programs to assist the prisoner scheduled for discharge in securing employment and becoming established in the community. With this in mind, the North Carolina Prison Commission set up the position of Supervisor of Prisoner Job Placement and employed a person for this position October 1, 1958.

Immediate steps were taken to set up an office, study past efforts in prisoner job placements, establish procedures and secure offers of employment for prisoners scheduled for release.

It was found that the North Carolina Junior Chamber of Commerce, through a number of its local clubs, had been aiding released prisoners secure employment. The North Carolina Employment Security Commission had been helping released prisoners and had conducted a six-months pilot program at four of the prison units in which a representative of the Employment Security Commission went to the prison units and interviewed the prisoners scheduled for release and instructed them to report to the local employment office upon release. A report of the pilot program showed that only a small number of these who were interviewed reported to the local employment office for help and that the results did not justify its continuance.

Daniel

Due to lack of an accurate method of reporting it was not possible to appraise the effectiveness of the efforts of the local clubs of the North Carolina Junior Chamber of Commerce and the local offices of the Employment Security Commission. We knew that these agencies were interested in our program and we solicited their continued cooperation.

While experimenting with a number of procedures, considerable progress was made in the Prisoner Job Placement program, but we felt that a better job could be done with the proper help. Through the efforts of the Director of Prisons, George W. Randall, we have secured the cooperation of a number of state agencies. On July 25, 1961, we held an all day meeting to work out more effective procedures in our placement program. Representatives were present from the Prison Department, Employment Security Commission, Board of Paroles, and Department of Public Welfare. Two days

later Governor Sanford had the directors of the four agencies at his news conference for a discussion of the program. He expressed his enthusiastic support and urged employers, including state agencies, to open the door of employment to released prisoners.

Under our present procedure every prisoner serving a sentence of more than six months is interviewed by a member of the prison field staff about 90 days prior to his release to determine if he desires help. If he desires help, a record is secured of his prior work experience, his prison training and experience, and other pertinent information which may be desired by a prospective employer.

His record is then studied to appraise his job qualifications and to note the best prospects for employment. Letters are written to some of his former employers, or to persons he may suggest, asking that the prisoner be considered for employment.

A copy of his record is mailed to the local office of the Employment Security Commission nearest his home, or where he expects to live, and a letter of introduction to the manager of this office is sent to the prisoner.

If his family his been receiving assistance from the Welfare Department, this agency is notified and requested to give all possible assistance to the prisoner and his family until employment is secured and wages are received.

At the time of his release, if he has not already secured employment, the prisoner and a member of the prison field staff go to the proper employment office. The prison staff member helps him make contact with the person who will handle his case.

The Board of Paroles cooperates with us in several ways.

If the Employment Security Commission has a prospective employer who desires a personal interview with the prisoner before the date of his release, the Prison Department is notified. The Prison Department then requests the Board of Paroles to grant a temporary Parole to the man for the time requested for the interview and arranges for his transportation to the office of the local Employment Security Commission.

Also, if an offer of employment is secured prior to the date of the prisoner's release and the employer needs him immediately, the Board of Paroles, upon request of the Prison Department, will grant a temporary parole to run to the date of the prisoner's discharge so that he may be available for the job at once.

The Employment Security Commission is currently conducting a project in the area of four of its local offices to demonstrate that an effective job may be done in prisoner job placement and for a study of the methods so that changes may be made if needed.

In North Carolina a released prisoner is not without friends. He will have a chance to prove that he has learned his lesson and wants to be a good citizen.

EQUITY TO ALL, ESC AUDITS SERVE EMPLOYERS

By Henry Hickman

Supervisor of Tax Auditors, ESC, Raleigh

A program of field audits of employers' books and records by the Employment Security Commission is essential. Basic principles of management of public funds require equity to all. Taxes should be properly assessed and all taxes due should be collected.

A field audit is an examination of subject employer's books and records relative to a specified period of time for which the employer has submitted contribution reports and are made (1) to determine by calendar quarters for such period the amount of taxable wages paid or payable by the employer, and the amount of contributions required under the Employment Security Law to be paid on such wages; (2) to reconcile such findings with amounts which the employer has reported to the Commission; and (3) to support by a written record the amount of and explanation of any discovered underpayments or overpayments.

So, the purpose of the field audit is not confined solely to the collection of additional taxes.

From the effective date of the N. C. Employment Security Law in 1936 until 1942, the Commission did not have a definite field audit program. With the growing number of covered employers under the Law, Commission officials saw the need for such a program to audit employers' records and tax payments. The program was not only needed to gain additional revenue, but also to provide help and assistance by auditors to employers covered under the Law.

For the first three or four years after the beginning of the tax audit program, we had only four auditors. This number has gradually increased. Since 1955, the Commission has had 17 auditors located in Asheville, Morganton, Hickory, Gastonia, Charlotte (2), Salisbury, Greensboro, Burlington, Winston-Salem, Durham, Raleigh, Fayetteville, Greenville, Williamston, Rockingham and Wilmington. These auditors are stationed in our local Employment Security offices in these cities which serve each county in the state.

Our field audit program is a systematic endeavor to contact each covered employer every five years. This may be done on an industry basis or at random. There may be certain fields or industries in which we feel that our tax auditors are needed most, and in that event we would direct them as to certain industry audits, but ordinarily these audits are made at random with the selection being made by the tax auditor. During fiscal year '61, there were 6,096 audits made by the 17 auditors. These audits found discrepancies of over $5,176,400 in un-

—See FIELD AUDIT, Page 88—

Henry Hickman, supervisor of tax auditors, discusses a repart with accaunting clerks Helen Davis (center) and Eleanar Arthur. During the past fiscal year, over 6,000 audits were made thraugh Hickman's department. Operating from all sectians af the state, the farce af 17 auditars discavered discrepancies af over $5.1 millian in unreported wages by emplayers liable under the state's Employment Security Law. Emplayers gain in tax savings taa, far more than $388,000 was discavered in aver-reparted wages.

N. C. SECTOR COMMAND, HEADQUARTERS FOR STATE'S 6,000-MAN ARMY RESERVE

Material Prepared By The N. C. Sector Command Information Office, Raleigh, N. C.

From the flintlock rifle era to the present day of missilemen, North Carolina has shared in the military destinies of the nation. This tradition still exists through the 6,000 Army reservists, North Carolina's portion of the estimated 300,000-man U. S. Army Reserve that makes up the great bulwark of the nation's defense during times of national emergency. These men and women are citizen soldiers who devote valuable hours of time to the reserve program 24 to 48 times a year and then become full-time soldiers for a two-week training period. It is during this training period that they put to practical use what they have learned in their spare time.

The administration of the Army Reserve in this State rests with the N. C. Sector Command. Its mission is the command organization and training of the Army Reserve units whose parent organization lies within the state boundaries, excluding the 108th Training Division. The Sector Command has no authority or responsibility for the ROTC program within the state. However, its commander does visit the senior ROTC units quarterly to render any assistance needed. With a responsibility for inspections, the Sector commander must ascertain the mobilization readiness of all units under his command.

Coordinating And Training

The Sector advises and assists U. S. Army Reserve unit commanders in training and organization. It insures that training is progressive and that it attains objectives set by higher headquarters. Insuring that effective advisory and instructional support is provided, the Command also makes certain that necessary facilities, equipment, outdoor training areas, training aids and materials are available and that they are effective utilized and properly maintained. The Command assists higher headquarters in the coordination and supervision of development and implementation of mobilization - expansion plans for Reserve units. It assists in coordination of planning activities between military and civilian agencies relative to defense against ground attack and lends military assistance to civilian authorities during emergencies.

Under the reorganization of the Third United States Army in November, 1958, the N. C. Military District, with headquarters in Raleigh, was consolidated into the XII U. S. Army Corps. With headquarters in Atlanta, Georgia, the XII U. S. Army Corps also includes the consolidation of military districts in South Carolina, Georgia, and Tennessee. This consolidation was designed to improve Army Reserve training by assigning responsibility to an active Army organization created specifically for this purpose. Under the reorganization each of the former military districts became known as Sector Commands.

The N. C. Sector Command is allocated a small staff for its headquarters. In addition to the commanding officer, the staff includes an executive officer, training officer, administrative sergeant, training operations sergeant, and two civilian clerk-stenographers.

Supplementing this headquarters staff is an engineer technician from the XII U. S. Army Corps headquarters who maintains his duty station in Raleigh. He is charged with assisting the Sector in all matters relative to the maintenance and utilization of government-owned or leased facilities through the state and any other engineering matters.

Also supplementing headquarters is a film library section which is staffed by two civilian employees from the Third U. S. Army Headquarters with duty station in Raleigh. This section stocks and distributes training films for the Army National Guard, the ROTC program within the state, and to the Army Reserve units. It also supplies certain films to civic, religious, fraternal, and business organizations upon request.

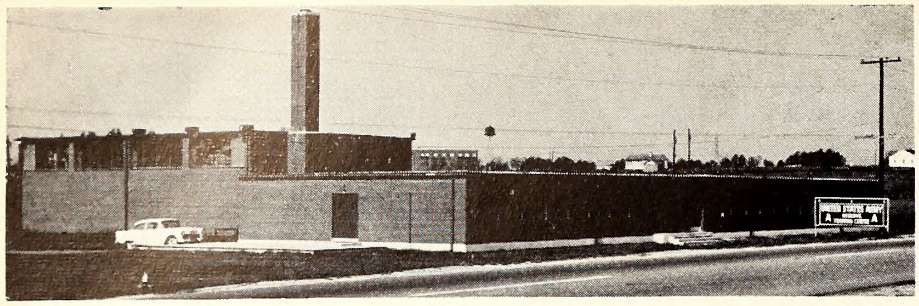
The Sector Command is divided into five sub-sector commands with headquarters in Asheville, Charlotte, Greenville, Raleigh and Winston-Salem. Sub-sector commands render direct assistance, support and advice to the Army Reserve units as well as to individual reservists. Within the sub-sector commands are officer and non-commissioned officer advisors, supply, maintenance, and administrative personnel who assist the Army Reserve units.

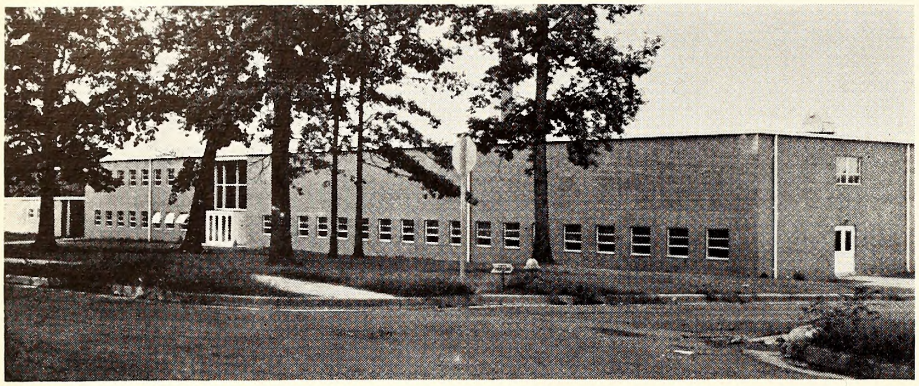
The five sub-sector commands are authorized 31 officers, 83 enlisted men, and 78 civilian employees. This personnel, located at strategic points throughout the sub-sector commands, supervise and assist a total of 119 Army Reserve units and three Army Reserve schools. Each Army Reserve unit commander is responsible for the organization, administration, training proficiency, operation capability and mobilization readiness status of his respective unit. Close coordination is maintained between Corps, Sector, and sub-sector headquarters and the advisory personnel to permit maximum uniformity in the organization and training of all elements within the XII U. S. Army Corps area.

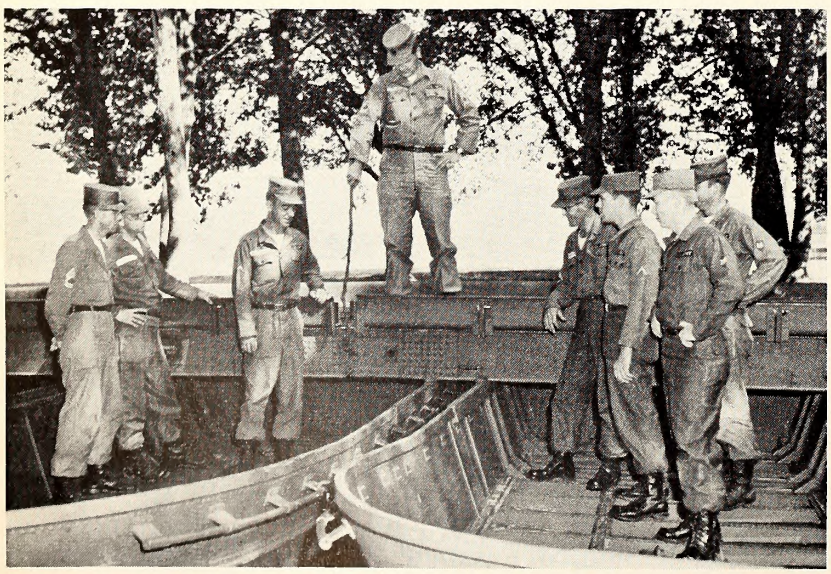
Busy Summer Months

Each troop program unit within the state holds 12 multiple drills for four-

SFC Alphonso Ferguson, Motor Sergeant of the 325th Chemical Company, prepares the members of his section for inspection during annual summer training at Pine Bluff Arsenal, Arkansas. Maintenance is an important function when requires command emphasis. A rating of superior was received during this inspection.







Two of the state's most modern ond best equipped Army Reserve Centers, Raleigh (top photo), and Charlotte. "Chow time" during reserve training. Mess is being prepored by members of the 805th MP Co. Necessary food items are purchased by the unit from locol merchonts. Below, Army Reservists receive instruction on pontoon bridge construction at Fort Leonard Wood during summer comp. This group is from Salisbury, N. C.

hours duration for a total of 24 drills per year. In addition to multiple drills which are held on Saturday and Sunday, each unit must have 24 weekly drills of two-hours duration to account for 48 drills during the fiscal year. In addition, each unit must attend two weeks annual active duty for training at a military post designated by higher headquarters. This vital and necessary training of reservists prepares the individual and unit to perform the mission required in the event of war or call to active duty. This program not only trains the individual but trains the unit to work as a team.

Army Reserve training is performed during the summer months. This year the first N. C. Army Reserve unit to go to summer camp started its two weeks annual active duty for training on June 4, 1961, and the last reserve unit under the Command completed its summer field training on August 27, 1961. N. C. Army Reserve units train at Fort Bragg and other military posts located in Georgia, South Carolina, Alabama, Kentucky, Oklahoma, Missouri, Kansas, Virginia,

COLONEL ERNEST L. BUSH, Commander, N. C. Sector Command, is a veteran of nearly 30 years Army Service. During WW II, he served in Balboa, Canal Zone. Later, he attended the Command and General Staff College and the Armed Forces Staff College. In 1953, he served in Japan. Upon return to the States, he was assigned to Fort Bragg. Following a tour as Comptroller of the United Nations Command and with the Eighth US Army, he reported as Sector Commander in Raleigh, N. C.

Texas, Maryland, Arkansas and Pennsylvania.

Defense spending is aimed at preventing war, but its side effects mean much to the state's economy. The servicemen and his family, and the reservists with pay, are good customers. Uniformed military men and women and our Army Reservists constitute a large part of many North Carolina towns and cities. Their dollars and Federal monies spent to build armories and to train N. C. reservists are an important part of the state's resources. Many retired Army

—See SECTOR COMMAND, Page 89—

Vice Admiral Ralph Earle, USN (Ret), presents the Dieffenback Ceremonial Sword to Midshipman Captain Waverly E. Sykes, Jr., This sword is worn by the midshipman commanding officer each year. This ceremony was part of the fall semester activities in 1960.

Duke University NROTC One Of First Established In U. S.

Midshipmen Regimental Commander and his staff. In front, Regimental Commander Waverly E. Sykes, Jr. Second row (L to R): A. G. Mullin, J. H. Obrion, J. S. Boyd, F. M. Bunch; Third row (L to R): W. J. Wallace, L. F. Sander, R. P. Biggers, and J. P. Morris. Under supervision of Naval officers, midshipmen command the NROTC Regiment.

UNIT NUMBERS 300 MIDSHIPMEN

The Navy Department first established the Naval Reserve Officers Training Corps in 1926 to create a reserve of qualified officers to be used in any expansion incidental to an unforeseen emergency. Originally there were only six units formed at as many universities throughout the country. The unit at Duke University was one of a group of eight additional units authorized just prior to World War II.

Established July 1, 1941, the Duke University NROTC Unit had an initial enrollment of 100 students. By July, 1943, a continuous 12-months-a-year accelerated educational program was established at Duke University whereby the Navy's wartime officer procurement was in full swing. From July, 1943 through June, 1946, a total of 3,433 Naval students received all or a part of their training at Duke University.

Since then the program has steadily expanded. In 1946, the famous Holloway Plan was instituted. This is the plan which provides for an annual nationwide scholarship examination. As a result of this plan, units are established at 53 colleges and universities across the country. It is expected that the graduates of these 53 colleges and universities will be of a caliber comparable to those of the Naval Academy, and that all will be bound together in a common purpose by the ties of brotherhood traditional in the naval service.

The current mission of the NROTC, at Duke University and elsewhere, is to provide—by a permanent system of training and instruction in essential naval subjects at civil institutions—a source from which qualified officers may be obtained for the Navy and Marine Corps, and the Naval Reserve and Marine Corps Reserve.

The specific objectives of the Department of Naval Science at Duke University in carrying out the above mission are (1) to provide Midshipmen with a well-rounded course in basic naval subjects which, in conjunction with a baccalaureate degree, will qualify them for a commission in the naval service; (2) to develop an interest in the naval service through an understanding of naval customs, traditions, and practices; (3) develop a capacity for leadership through precept and example; and (4) to introduce midshipmen to the naval way of life through practical experience.

The present midshipman organization at Duke University contains approximately 300 students. The instruction staff for the Naval Science Department consists of one Marine Corps Colonel as Commanding Officer, a Commander in the Navy as Executive Officer, four additional naval officers and one Marine Corps officer as instructors, and six enlisted assistants. This unit produces between 40 and 45 officers for the Navy and Marine Corps each year.

NAVY ROTC PROGRAM VITAL PART OF UNIVERSITY

From The Office of The Professor of Naval Science and Tactics, University of North Carolina

The University of North Carolina Unit of the Naval Reserve Officers Training Corps Program was established in 1941, as one of fifty-three college and university units authorized by Congress in 1926. The mission of the NROTC is to provide a source of highly qualified officers for the naval service. Students who obtain a baccalaureate degree and who satisfactorily complete the required course of study in Naval Science are commissioned as officers in the United States Navy or Marine Corps or the Reserve components thereof.

In carrying out the stated mission of the NROTC Program, the unit on the campus has commissioned some 900 new officers in the Navy or Marine Corps since its establishment. Each year 40 to 50 new officers are commissioned. These, with all the other new officers commissioned by the other NROTC units, constitute the major source of new officers in these services. Approximately 2000 are so commissioned each year. In comparison, the United States Naval Academy provides about 800 new officers each year.

Students enrolled in the NROTC program are in two categories: Regular midshipmen have equal status with Naval Academy midshipmen and as such the Navy pays all of their tuition and fees, buys all of their text books and required educational materials, supplies all of their uniforms, and, in addition, pays each of these individuals $50 a month. Each summer for three summers, students in this category attending NROTC Units in the eastern half of the United States participate in summer cruises in the Atlantic, Carribean, Artic and Mediterranean areas and receive Naval Aviation indoctrination at Corpus Christi, Texas. Students in the Contract midshipmen category have status as civilians on contract with the Secretary of the Navy. As such the Navy supplies them Naval Science text books and supplies, furnishes the required uniforms, and during their junior and senior years, pays them at the rate of $27 a month. During the summer between their junior and senior year they participate in a summer cruise in the Atlantic area.

Same Campus Life

Regardless of category all participants in the NROTC Program receive the same instruction, wear the same uniform and must meet the same academic requirements with the exception that the Contract NROTC students, while not required to take one year college physics, are encouraged to do so.

Each Naval ROTC student is required to wear a Naval Midshipman uniform while attending scheduled Naval Science laboratory exercises and at certain other designated campus functions that are associated with the Naval ROTC Unit. Other than the above, the student leads the same campus life as other students not enrolled in the NROTC. He may participate in any scholarship aid program and, if necessary, may obtain employment to assist in financing his educational expenses. He may join fraternities and is encouraged to participate in all athletic activities and other campus activities.

The NROTC student, while remaining in such status, is exempt from the draft (Selective Service Act of 1948 and Universal Military Training Act of 1951). With few exceptions, he is required to serve on active duty immediately upon graduation for a period of at least two years in the case of Contract students and for a period of at least four years in the case of Regular students.

The curriculum of the NROTC program is integrated into the University curriculum required for a baccalaureate degree. Each semester the student is enrolled in one Naval Science course which is generally counted as an elective course toward degree requirements. During his first two semesters the student studies the Principles and History of Sea Power. He becomes familiar with the traditions and customs of the naval service and the role it plays as an instrument of national power. He studies the evolution of sea power and its influence upon history. As a sophomore, he studies Naval Weapons Systems as related to ordnance design, electronic detection devices, guided missiles systems, and nuclear weapons. During the Spring semester he studies a course in general psychology taught by civilian members of the University faculty.

Options Available

Prior to the beginning of his Junior year, the student must select one of the three options available to him for advanced studies. He may choose the Marine Option and upon graduating be commissioned as a Second Lieutenant in the U. S. Marine Corps. He may choose the Supply Option and upon graduation be commissioned an Ensign in the U. S. Naval Supply Corps. He may choose the Naval Line Option and upon graduation be commissioned an Ensign of the line, U. S. Navy. Students choosing this latter option may request duty in submarines, duty in the various types of surface naval ships, or duty involving flight training at Pensacola, Florida. Depending upon the option which is selected, the courses during the student's Junior and Senior year are designed to give the student practical knowledge required for the duties to which he may be assigned upon graduation.

CAPTAIN JOHN C. SPENCER, Commanding Officer, NROTC, University of North Carolina, is a native of Virginia. Graduating from the Naval Academy in 1939, Captain Spencer subsequently served aboard the cruiser HOUSTON and the battleship OKLAHOMA in the Hawaiian area prior to WW II. During the war he commanded destroyer escorts in the Atlantic and Pacific areas. He commanded a squadron of radar picket destroyer escorts, 1956-58. Prior to his assignment at UNC, Captain Spencer was Officer-in-Charge, Chesepeake Bay Annex of the Naval Research Laboratory.

In addition to fulfilling the primary mission of the NROTC at the University, the Unit is assigned other missions which, although they may be of secondary nature, are nevertheless important in the furtherance of higher education for naval officers and future naval officers. Among these are the administration of the Naval Post Graduate Education Program students who are assigned to the University of North Carolina at Chapel Hill or North Carolina State College at Raleigh. In this program, officers who are so selected study for graduate work leading to Masters or Doctorate degrees in many different fields. Another program is the Senior Medical Student Program. Medical students after completing their first year medical school may apply for a commission in the United States Navy Medical Corps Reserves as an Ensign. While continuing their medical studies they

—See UNC NROTC, Page 89—

Howder

COLONEL LAUREN W. MERRIAM, Professor of Military Science, ROTC, N. C. State College, graduated from the Military Academy in 1933. During WW II, Colonel Merriam served with the Combined Operations Headquarters, British Army; the Operations Section of Headquarters European Theater; and with the 109th Infantry Regiment. He has served as an instructor at the Military Academy and at the Command and General Staff School, Ft. Leavenworth, Kansas.

COLONEL JAMES D. HOWDER, Professor of Air Science, AROTC, is a 1933 graduate of Texas A. & M. College. During WW II, he served in Africa and Italy. He later had assignments as Staff Officer, US Air Force Headquarters and Far East Air Force Headquarters, and as Professor of Air Science at the University of Illinois. He holds the Legion of Merit with Oak Leaf Cluster; Commander, Order of Crown of Italy; and the Medaille de la Reconnaissance Francaise decorations.

Merriam

Army, Air Force Have Joint Program At N. C. State

The Army and Air Force Reserve Officers Training Corps Units of North Carolina State College of A&E have for many years fulfilled part of the national requirement for young men whose educational and training backgrounds qualify them for positions of leadership and command in the U. S. Army and the U. S. Air Force. The effectiveness of the ROTC program in developing leadership in depth was emphasized at the beginning of World War II, when the Nation's pool of reserve officers totalled 14,000—mostly commissioned through the ROTC program. That leadership, in the words of an ROTC graduate, the late General of the Army George C. Marshall, "made the difference between defeat and victory."

The genesis of the ROTC originated in 1819 when Capt. Allen Partridge, a former superintendent of the United States Military Academy, founded the American Literary, Scientific and Military Academy at Northfield, Vermont. The name was later changed to Norwich University, and it was chartered in 1834. Capt. Partridge resigned his commission in 1819 in order to effect his ideals of broader military training for civilians. Norwich University, the pioneer in the field of military training in civilian institutions, was followed by Virginia Military Institute in 1828, the Citadel in 1842 and many others before 1862.

On July 2, 1862, the government recognized the necessity for military training at civilian institutions by passing the Morrill Act. This Act donated lands and monies for colleges when the leading object would be practical instruction in agriculture and the mechanical arts, including military tactics. The Act merely required the colleges to teach military science, and implied that all male students were required to take military training. In 1934, the supreme court decided that compulsory military training under the Morrill Act would be left in the hands of the state and institution to favor or disfavor.

Between the years 1870-80, the government increased the amount of aid granted to colleges and universities instructing in military science.

Under Section 40 of the National Defense Act of 1916, the Reserve Officers Training Corps was established. Section 47a, 48b and 47c authorized the establishment and operation of ROTC Camps, appointment of graduates and pay and commutation of subsistence for ROTC students. Further amendments to this Act were made in 1922, 1934, 1940 and 1945.

In June, 1916, an Army ROTC unit was established at N. C. State College making it compulsory for physically qualified male students to take two years (freshman and sophomore) of military science.

In July, 1949, the Air Force ROTC Unit was organized as a separate agency from the Army. Both the Army and the Air Force ROTC programs are split into two phases—the Basic Course and the Advanced Course. Each phase lasts two years. Prior to registering as a freshman each student is required to indicate his choice of which ROTC unit, Army or Air Force, he wishes to enroll in.

After successfully completing the Basic Course, the students may volunteer to enroll in the Advanced Course of either unit provided he is otherwise qualified. If selected for the Advanced Course he commences an interesting and invaluable program designed to develop to the fullest the student's inherent leadership qualities. In addition to the courses required during the regular school year all Advanced Course students are required to attend a summer camp of not more than six weeks for field instruction following their first year of the Advanced Course. Both the Army and Air Force programs afford interested and qualified Advanced Course students opportunity to participate in their flight training programs. At no cost to the student, these programs, if successfully completed, provide the student with a Federal Aviation Agency approved private pilots license.

After successfully completing the Advanced Course the student receives a commission as a second lieutenant upon graduation. Those commissioned in the Army will be assigned to a branch of the Army commensurate with their curricula, desires and needs of the various branches. Those commissioned in the Air Force will be assigned as trainee pilots, observers or specialists commensurate with their curricula and desires and the needs of the Air Force.

Shortly after receiving their commissions these officers are ordered to short periods of active duty. Outstanding Advanced Course graduates may be offered commissions in the Regular Army or Regular Air Force while the remainder are commissioned in the Army and Air Force Reserve.

Many ROTC graduates stay in the service, going on to careers as field grade and general officers. There is no limit on advancement of ROTC graduates up the Army or Air Force ladder.

Each year the Army ROTC unit commissions approximately 90 second lieutenants in the Army Reserve and six second lieutenants in the Regular Army. The Air Force ROTC Unit each year commissions approximately 60 second lieutenants in the Air Force Reserve and six second lieutenants in the Regular Air Force.

Air Force ROTC units are located at the University of North Carolina, Chapel Hill; Duke University, Durham, N. C.; State College, Raleigh; A. & T. College, Greensboro; and East Carolina College in Greenville. The following article was prepared by Air Force Reserve Officer Training Corps personnel in cooperation with East Carolina College's News Bureau.

AFROTC . . . 14 YEARS AT EASTERN CAROLINA

With the opening of the 1961-62 college term at East Carolina College, the 600th Detachment of the Air Force Reserve Officers Training Corps at Greenville, North Carolina, began its 14th year as a major department.

The first professor of air science was assigned by the Secretary of the Air Force to East Carolina College in the fall of 1948.

The college administration noted in a letter appraising the value of the AFROTC unit that it would bring an "accentuated purpose and dignity to the student body."

Since the establishment of the 600th Detachment of the AFROTC, the cadets have been trained by officers of the Air Force. These officers have full faculty status.

The present professor of air science (officer in charge of the AFROTC staff), Lt. Col. Norman F. Merritt, Jr., and Dr. Leo W. Jenkins, President of East Carolina College, have continued to advance the program, bringing to the male students of the College the objective "to develop in selected cadets through sound educational and training program, initial motivation to serve as career officers in the United States Air Force."

The program of training is intensive, Lt. Col. Merritt points out, and seeks to develop, also, by precept, example and participation, the attributes of character, personality, and attitudes essential for leadership.

In the thirteen years of AFROTC history at East Carolina College, hundreds of young men have been introduced to the program and many have gone to officers' ranks with the commissions issued upon graduation. Some of the graduates are now stationed with permanent officer status in key bases around the globe.

The cadets have the rifle team, the

—See AIR ROTC, Page 88—

LT. COLONEL NORMAN F. MERRITT, JR., Professor of Air Science, ECC, received his commission in 1942. As a captain, he served in Chungking and Shanghai, China. After leaving federal service, he took a BS degree in Business Administration. In 1949 he was recalled to active service and served at various SAC bases. He later attended graduate school at Harvard, obtaining his MBA degree. Colonel Merritt subsequently served three years in England, and in July, 1959, he was transferred to East Carolina College in Greenville, N. C.

Cadet Clarence Childress, Sanford, N. C. receives the Chicago Tribune Award from Col. Merritt for "outstanding military achievement." Six ROTC cadets who participated in the flight instruction program. All received private pilot licenses. Miss Lib Rogers, Greenville, receives a bouquet from Col. Merritt as queen at the '61 ROTC military ball. Cadet Harry Bayley was her escort.

Femmous Butler, five-yeor employee at the Seymour Johnson Air Force Bose, poses before one of the trucks he hondles. No bother to this handicopped vet, the big vehicle is from the service station maintenonce shop for the 4th Transportotion Squadron.

"COULDN'T LIKE IT ANY BETTER," SAYS HANDICAPPED VETERAN

In all his 42 years, Femmous H. Butler, heavy equipment operator at Seymour Johnson Air Force Base, can point to a case of mistaken identity as his most unusual, if not terrifying, experience.

From injuries suffered during combat in Germany in 1944, Butler's left leg was eventually amputated three-inches below the knee, and for four years he was hospitalized in France and England. "I was moved several times," Butler muses, "and half the time I didn't know where I was."

At a hospital in Washington, D. C., a nurse's mistake sent the unconscious veteran to a morgue.

"Oh, my God! I got out of there! In came seven doctors. I had just come from the operating room and was pretty doped up. A nurse had gotten mine and a dead patient's name mixed up. I woke up from a twilight sleep," Butler explains, "and I was lucky they found me."

Finally released from hospitalization and under doctor's care, Butler with two different artificial limbs supplied by the Veteran's Administration, returned home to Wayne County in 1948. During the 10-12 years that followed his combat injury overseas, Butler's activities were largely directed by dozens of unnamed doctors, nurses, people of the Veteran's Administration, rehabilitation workers, and scores of others dedicated to gainful employment of the handicapped.

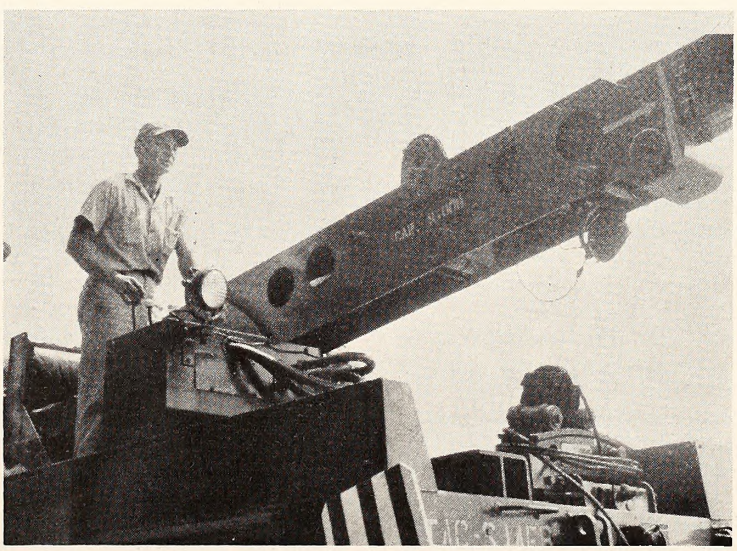
For eight years Butler worked in Goldsboro as a mechanic under the G. I. Bill, and following the advise of the Veteran's Administration, entered his application for work at Seymour Johnson Air Force Base. The base was reactivated in 1956, and Butler was subsequently referred to Tyler Simpson, civilian personnel officer.

"Mr. Butler passed the examination for truck driver in May, 1956," according to Simpson. "He took the truck-driver job, and since then has been promoted three times. He started out classified as a W-6 and now he's a W-8."

In the 4th Transportation Squadron, Butler is a heavy automotive equipment operator, "handling," he says, "anything from a staff car to the biggest thing on the base—the 50-ton crane."

Simpson is quick to point out the work Butler has accomplished with other physically handicapped persons. "He's gone to hospitals in Goldsboro and Kinston urging other amputies to get up and walk." And Butler confides that occasionally, other disabled workers on the base meet and compare their "handicap" brotherhood. He is emphatically interested in the successful rehabilitation if all handicapped persons.

Holder of a five-year safe-driving award, Butler is proud of his job at Seymour Johnson. "A fine job," he exclaims. "I couldn't like it any better. If I left I would try to get another one just like it."



A heovy outomotive equipment operator, the 42-yeor-old Butler recently won o Five-Year Safe Driving Award ond soys he hopes for more in the future.

HANDICAPPED VETS ACTIVE ON AF BASE

By Tyler Simpson

Civilian Personnel Officer
Seymour Johnson AF Base

Federal employment policies give disabled veterans 10 points on job examinations and applications. At Seymour Johnson Air Force Base, 98 of our civilian employees, or about 19 per cent, are handicapped with various disabilities. A lot of our handicapped people have been awarded the "Purple Heart" medal for injuries suffered during active military service. What type jobs do they handle? What is the nature of their handicaps? Really, there are no specific answers.

Of the 521 civilian employees at Seymour Johnson, most of them fall into the following categories: Secretary, Stenographer, Court Reporter, Clerk-Typist, Stock Control Clerk, Card Punch Operator, Console Operator, Payroll Clerk, Personnel Clerk, Procurement Clerk, Accounting Clerk, Telephone Operator, Personnel Technician, Accountant, Purchasing Agent, Management Analyst, Engineer, Production Control Clerk, Practical Nurse, Registered Nurse, Dictating Machine Transcriber, Transportation Clerk, Commissary Cashier, Mess Attendant, Laborer, Equipment Operator, Automotive Mechanic, Tire Mounter, Jet Engine Mechanic, Sheet Metal Worker, Warehouseman, Supply Inspector, Carpenter, Painter, Water Plant Operator, Heating Plant Operator, Air Conditioning and Refrigeration Mechanic, Electrician, Plumber, Steamfitter, Mason, Draftsman, Personnel Services, Fireman, Property Disposal.

Seymour Johnson has actively supported the national "Employ the Physically Handicapped" program. Approximately one out of every five employees on the base has some sort of physical limitation. Most of the employees are disabled veterans; however, others have handicaps which prevented them from entering the service. In general the handicapped worker appreciates his job and as a result is more reliable and conscientious in his work than the employee without physical limitations.

Air Force planners anticipate an industrial revolutionary every 3 years from now which means that employees must continually be re-trained to keep pace with the rapid development in automotion and communications.

We feel that the federal handicapped employee of today is a dedicated worker, who prefers to earn his livelihood in service to his country.

Massenburg

"A Good Job And Sometimes Better"

By James Massenburg

Employment Counselor Super.
ESC, Raleigh, N. C.

The program of services to the handicapped has been an integral part of the public Employment Service since these offices were established. Impetus was given the program when the President's Committee on "Employ the Handicapped" was established over 15 years ago. Through the efforts of the President's Committee and its able staff, interest was created throughout the country in the employment of the handicapped. In each of the Employment Security Commission local office areas, a Handicapped Committee has been formed which has performed yeoman service in assisting our staffs place in gainful employment handicapped applicants. These committees promote the program through civic and woman's clubs, radio, TV, and the press.

Section 8200, Part II of the Employment Security Manual provides: "The term 'service to the handicapped' includes all services provided by the local office from the time a handicapped applicant enters the local office until he is occupationally adjusted to a job." Thus, the Employment Service, in serving the handicapped, uses the total resources of the local office. This means that a handicapped applicant who seeks employment in our local offices receives services from interviewers, counselors, representatives in the employer relations section, and personal job development. When handicapped applicants' physical capacities are matched to the demands of a job, they can perform a good if not better job than the non-handicapped person. Surveys show that handicapped employees have better safety and absentee records than non-handicapped employees.

Because of this total service, the Employment Security Commission places approximately 6,000 handicapped applicants each year. Congress, in 1954, in amending the Wagner-Peyser Act, appropriated funds for the purpose of rehabilitation and placement of handicapped applicants. Because of this legislation, agreements between vocational rehabilitation agencies and the public Employment Service were executed which resulted in a partnership of rehabilitation and placement of these physically impaired people.

The records of the Employment Service indicate that the handicapped program has improved from year to year.

There are approximately 40,000 or 50,000 impaired people eligible for rehabilitation and employment in North Carolina. This group will, no doubt, increase because of the increased traffic, home, and industrial accidents. Therefore, the future gives the staffs of agencies interested in the program continued opportunities of serving the handicapped.

In order to facilitate these services, the Employment Security Commission has established in each local office a handicapped specialist to render these services, and in a number of our larger offices these specialists are assigned the exclusive duties of assisting the handicapped in securing suitable employment. Approximately five per cent of applicants applying for work constitute the handicapped group.

ESC COOPERATES WITH PRISON DEPARTMENT TO AID RELEASEES

(See Page 57)

Cooperating with the North Carolina Prison Department, the Employment Security Commission has established a special program to assist the job placement of prison releasees.

In July, 1961, it was mutually agreed between the two state agencies, that a pilot study should be conducted in four local Employment Security Offices. They are Elizabeth City, Greensboro, Lincolnton, and Murphy. The local office managers and selected placement interviewers from these offices attended a special training conference to receive instruction in this new program.

When a prison releasee requests assistance in finding employment, his records are forwarded to the appropriate local office before he is released. These records indicate the work he can perform and include other pertinent information. And, arrangements can be made to have the prisoner visit the local office for an interview before his release.

In this way the ESC attempts to locate a suitable job for the prisoner, and if this program proves to be successful, officials hope to extend it to a statewide basis.

MILITARY RECRUITING SERVICE

Important Step For The Young Enlistee, Here's Where Active Duty Begins

TWO MAIN STATIONS FOR ARMY IN N. C.

By Sgt. Lloyd G. Grigor
Army Recruiting Service, Main Station, Raleigh

The preservation of peace in the world and the safety of our nation depend on the strength and dedication of the men and women who freely make up our Armed Forces.

Where will the Army, bulwark of our nation's defense, get these men who freely give the Army its strength? Armies recruit their personnel from civilian ranks, but they cannot be drafted civilians, forced to serve if they are to freely fill the Army's ranks. They will be the men and women who have been recruited by the officers and men of the Army Recruiting Service. Personnel thus obtained make for a truly strong Army, for they freely choose the military as a career and bring to the job at hand the enthusiasm and motivation that stimulate men who are doing what they want to do. Helping obtain these volunteers for the Army is the principal mission of the Army Recruiting Main Station in Raleigh, N. C., one of 11 such centers within the Third U. S. Army and one of 72 centers across the nation.

Located at 201 West Cabarrus Street, the Raleigh Main Station serves as a headquarters for 15 smaller recruiting stations (including one at 100 W. Martin Street, Raleigh) in the Eastern half of North Carolina, and has an area of responsibility covering 53 of the state's counties. Some 20 recruiters man these smaller stations, basic units of the Recruiting Service. A similar Army Main Recruiting Station in Charlotte serves the Western half of the state.

How does the Raleigh Main Station fit into the big picture?

The ultimate authority for staff and technical supervision of Army recruiting is vested into the Adjutant General, Department of the Army. All recruiting operations are under the control of the commanding generals of the Zone of the Interior Armies, and overseas commander, within the territorial limits of their commands.

Each commanding general of a Z. I. Army appoints a qualified senior officer as Military Personnel Procurement Officer. This officer is then responsible for the supervision of all recruiting activities within his Army area, including the operation of Examining and Induction Stations and recruiting processing units.

Armed Farces Qualificatian tests are administered ta enlistees at the Main Recruiting Station in Raleigh. The main station gives these tests ta persans entering all services, and the test lasts abaut an haur. Usually, four are given each day. Secand lieutenant Gerald W. Smith and Sp5 Alan H. Ramey administer the exams. Captain Ralph D. Miller (battam phata) reads the enlistment cantract ta a graup af young men wha are abaut ta be swarn inta active military service. Captain Miller will administer the aath. When the enlistee stands, his step farward indicates his legal acceptance. The aath fallaws.

Basic Unit

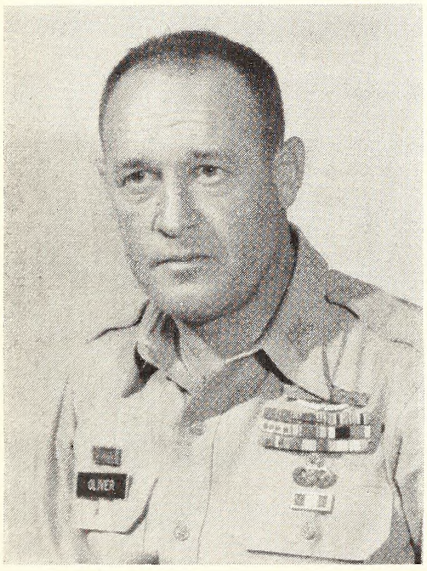
In the Third U. S. Army area, which covers seven southeastern states, this officer is Colonel John M. Ogilvie, Jr., with headquarters at Fort McPherson, Atlanta. The Third U. S. Army has 11 geographical recruiting areas each under the control of a recruiting main station.

The basic unit of the Recruiting Service is the recruiting station in the field. Headed by non-commissioned officers, they are staffed with personnel sufficient to contact potential enlistees, interview and act as career counselors, administer preliminary physical and mental screening to eliminate applicants obviously unfit for service, and send those qualified to the main station under which the field station operates.

With the exception of Raleigh, which has four men, and Durham and Fayetteville which have two men each, the stations in the 15 cities served by the main station have one-man staffs. These are: Burlington, Elizabeth City, Goldsboro, Greenville, Henderson, Kinston, Lumberton, New Bern, Rocky Mount, Sanford, Wilmington, and Wilson.

The operation of Armed Forces Induction and Examining Stations is another important function of each recruiting main station commander. Armed Forces examining stations conduct mental tests and physical examinations of applicants for service in the Army, Air Force, Navy or Marine Corps, Selective Service registrants, and certain Army and Air Force reservists. Armed Forces induction stations conduct administrative processing and induction of Selective Service registrants. The Army is the only service currently drafting men.

Another important function of the main stations is the cooperative operation of Army-Air Force joint processing units for administration and enlistment of Army and Air Force volunteers. The Navy and Marine Corps have their own enlistment ceremonies. Military and civilian personnel from the other services



CAPT. REX G. OLIVER

Commander,
Recruiting Main Station

are assigned to Armed Forces examining stations on a pro-rata cost basis, each service bearing the cost of examining and processing its own recruits.

The effect of President Kennedy's military build-up is being felt at the Raleigh Recruiting Main Station. With Army enlistments holding steady, the principal increase has been in the increased draft call ups. Processing normally 40 men daily through the examining station, the figure jumped to about 125 in August and is expected to continue or increase with the large draft calls in the forthcoming months. Nine additional clerk typists have been hired to help with the work load and ten additional military spaces have been approved for an indefinite period.

A total of 63 military and 16 civilians are employed in the administration and operation of the Recruiting Main Station, outlying stations, and Armed Forces induction and examining sections. The cost to the U. S. Government for operating the Main Station is approximately $465,015 annually, the majority of which is spent in the state of North Carolina. This amount can be broken down roughly as follows:

Military wages (before taxes)	$269,280
Civilian wages (before taxes)	53,270
Meals	28,275
Lodging	13,170
Operation of 20 vehicles	8,400
Building rentals	42,000
Medical Consultants	20,000
Transportation	25,000
Misc. operating expenses (tele., local purchases)	4,620
	$464,015

The 20 Army recruiters in 15 eastern North Carolina cities have become a part of the communities in which they work. Their task is a large one—in this Atomic Age there will be no time to prepare "tomorrow" and the motivated individual soldiers needed by the Army must be secured today.

Additional incentives must be provided for men who, while devoted to liberty, have a normal desire to reap all of the rewards that life has to offer. Today's Army can and does provide these incentives. It trains men to be skilled technicians. Its advancement and retirement policies promote individual security. It offers unique opportunities for travel and recreation.

NAVY RECRUITERS SEEK HIGH CALIBER MEN IN EVERY CORNER OF N. C.

An official U. S. Navy automobile is parked in front of a high school in any North Carolina community. Inside the building, young men of the senior class listen to a Naval officer or enlisted petty officer tell the story of naval service. In most instances, it is their first encounter with the Navy. If they volunteer for service with the Navy, they are given physical and entrance examinations at the main recruiting stations. Those who are accepted are flown by commercial air travel to basic training at "boot" camps in Bainbridge, Maryland or San Diego, California. The following article was prepared by Navy recruiters in Raleigh, and describes briefly the Navy's efforts in North Carolina to obtain young men of "high caliber to serve our country afloat and ashore."

Navy recruiting in North Carolina is big business. With headquarters in Raleigh, the Navy has 20 branch stations scattered throughout the State. In many cases these stations are manned by veteran First Class or Chief Petty Officers who have had the advantage of working in their own home towns. The Navy is an all-volunteer organization, and it has found that the best way to enlist the high-caliber young men needed for today's modern nuclear Navy is by letting the veteran petty officer tell the Navy story in the language of the area.

Commander W. S. D'Epagnier, USN, Officer-in-Charge of the Navy Recruiting Service in Raleigh, administers the oath to Charles M. Shore and Joe Aldridge of North Wilkesboro, N. C. Next step for young Shore and Aldridge is "boot camp." After basic training, they will select one of the many rates offered by the Navy, or they may apply for officer candidate training at OCS, Newport, R. I., at one of the NROTC Colleges, or at the Naval Academy, Annapolis, Maryland. The swearing in ceremonies took place in Raleigh's Federal Building.

Each prospective recruiter is given a short, but intense period of training in modern recruiting methods at recruiters school prior to reporting to his station.

Branch stations are located in most of the larger cities of North Carolina. The main station in Raleigh moved into its present location in the post office building in March, 1938. The Salisbury station was established in April, 1935. At the present time, the Officer in Charge of the Raleigh Recruiting District, Commander W. S. D'Epagnier, has seven officers and 77 enlisted men under his command. These people are carefully selected for their intelligence, good conduct, military bearing and appearance, since in most cases they are the only Navy representatives in the area.

The Navy Recruiting Service is charged with the responsibility of obtaining through appointment or enlistment men and women who meet mental, moral, physical and other special standards in sufficient numbers to meet the personnel requirements of the Regular and Reserve components of the Navy.

Commander D'Epagnier's immediate supervisor is Captain W. J. Bowers, USN, who bears the title of Director of Navy Recruiting, Third Navy Recruiting Area. His headquarters is in Macon, Georgia, and his area includes North Carolina, South Carolina, Georgia, Florida, Tennessee, Alabama and Mississippi.

Recruiting duty is a much sought after prize among men of the Fleet since it offers them a chance to live an almost normal civilian type life for awhile. Most tours of duty are for about two years and the Navy tries to locate the men in their own home towns, or as near as possible. The life of a recruiter is completely different from the one he has been used to with the Fleet. However, most men make the transition from sea to shore duty with ease and once having had Recruiting Duty all say that the change has worked well for them since it has given them not only a new perspective of the Navy, but also a chance to give the prospective Navyman current information on the exploits of the "Sea Going Navy" and its role in today's troubled world.

The Navy Recruiting office offers many services to the young man in North Carolina who desires Navy duty. In addition, it is a central source of information concerning the Navy, and cooperates with Naval and Marine Corps reservists. It provides medical facilities and information on officer procurement, and offers attractive and educational duty to the Navy recruiter.

The old Navy recruiting slogan of "Join the Navy and See the World" is more true today than ever, but all the Navy Recruiting Team joins in the chorus of "Yes, but it sure is nice to come home again for awhile."

Discussing travel itinerary with Commander D'Epagnier is Lieutenant Commander Maxine Easter, Nurse Corps, USN. LCDR Easter is one of two Navy nurse recruiters assigned to the southeaster US district and has been stationed at the Recruiting Service in Raleigh for two years. The other nurse recruiter in the district is stationed in Jacksonville, Florida. LCDR Easter says she recruits nurses for naval service from hospitals, nursing schools, high schools, etc., and about 50 per cent of her time is spent away from the office traveling about the area. Successful enlistment in LCDR Easter's program, and subsequent training, offers the applicant a commission in the Navy's Nurse Corps. Although LCDR Easter's activities are directed primarily at Navy recruiting, she reports a lot of cooperation among nurse recruiters for the other armed services. LCDR Easter is a specialist, carefully selected for recruiting duties to enlist a highly important group of service women.

AIR FORCE OFFERS MANY ASSIGNMENTS

By Sgt. Charles Gardner

Recruiting Operations Supervisor, Recruiting Detachment 307

North Carolina's contribution to air power and the open door to space started fifty-seven years ago at Kill Devil Hill. The Wright brothers flew their plane 120 feet and kept it aloft for 12 seconds. Little did they know that they were the fore runners to thousands of North Carolinians who have contributed their time and efforts to air power and space, nor did they know that what they did on December 17, 1903, would develop into a yearly multi-billion dollar industry throughout the world.

The United States Army became interested in powered flights and on August 1, 1907, established the Aeronautical Division in the Signal Corps. The division was comprised of three men (one officer and two enlisted men, no flying machines). In just 54 years this small but very important command grew to a force of over 800,000 active duty military personnel, approximately, 500,000 reserve officers and airmen, 300,000 civilian employees and over 18,000 programmed operational aircraft from a speed of 120 feet in 12 seconds in 1903 to over 2,000 miles per hour in a rocket aircraft in 1961. The Aeronautical Division of the Signal Corps has now become the United States Air Force. The mission of the Air Force is to defend the United States against air attack; to be prepared to launch strategic counter-attack; to give tactical air support to ground troops and to furnish a world-wide air transport system for men and material. This mission cannot be accomplished by machines alone. It is an assignment for intelligent and trained men. The mission of the United States Air Force Recruiting Service is to select from civilian sources sufficient personnel to meet the requirements of the Air Force.

There are 20 Air Force Recruiting Offices in the major cities of North Carolina. The Air Force has selected 41 non-commissioned officers and has trained them in product knowledge, public speaking and salesmanship prior to assigning them to North Carolina. In addition to the Recruiter Salesmen, there is sufficient support personnel assigned to carry out the functions of administration and supply.

The Recruiter Salesman must be familiar with the various personnel requirements to keep an aircraft flying. He must have some knowledge of the many specialties such as mechanics, armament, electronics, meteorology, communications, operations and many others. In addition, he must be an educational

Seventeen-year-old Portia F. Futrelle, Kinston, N. C., is interviewed for the Women's Air Force program by Tech. Sgt. Ellen Borton, AF Recruiting Service, Raleigh. Portia enlisted in the Air Force for four years and can look forward to a choice of assignments at AF stations in the US or overseas.

counselor. He becomes a useful and popular member of the social and business community and is usually in contact with civic leaders, businessmen and educators.

During Fiscal Year '61 these 41 Air Force Recruiter Salesmen placed 3,294 North Carolinians in the Air Force; 3,127 as airmen in 43 different career fields; 24 as Women in the Air Force (WAF) in 22 different career fields; 51 Aviation Cadets (Navigators); 48 Officer Training School (Male and Female) as Navigators, Pilots, Civil Engineers, Communications, Electronics and many other fields; 21 lawyers as Judge Advocate in the Air Force; and 23 as Air Force Nurses.

As members of the United States Air Force, these North Carolinians will live by a Code of Conduct that grew out of the heroic lives of American fighting men. They will help maintain the balance that makes the difference in whether or not our country remains free and safe from aggression of the tyrants of the world. They will serve their country in world-wide assignments, and leaders will rise from their midst to furnish the military leaders of tomorrow.

Upon completion of their training and service commitments, these North Carolinians return to their homes better prepared to contribute to North Carolina's way of life and to the defense of our nation.

STUDIES

—Continued from page 19—

a necessary forerunner to any relation of economic conditions to potential unemployment cost factors. It was necessary to undertake a thorough analysis of past economic trends within the state as related to national trends in order to determine the impact of general business conditions on unemployment insurance costs. Too, any analysis of the economy must consider the population trends in terms of sex, age groups, et cetera; it must include labor force trends, utilization of employees in industries and other business activity important to the state's economy; and, it must take into account other possible influences which tend to shape the state's economic destiny.

Following this initial step concerned with a viewing of the whole of North Carolina's economy as it relates to employment, the next step in developing a base for establishing financial policy involved a thorough-going look at North Carolina's financial experience from the beginning of the program in 1938 to the time of any study undertaking. This approach involved a consideration of the stages in fund accumulation and an examination of the growth in fund patterns, and consideration of factors influencing fund growth rates, such as: benefit expenditures, income patterns, and interest income.

This examination and analysis of the past experience and the evaluation of current program developments is for the purpose of aiding in projecting employment levels forward for a time span which may include both favorable and unfavorable economic conditions. Generally, a six to ten-year period is adequate time to arrive at these economic assumptions and projections of potential unemployment levels.

At this point in the cost study undertaking, it is possible to turn to a determination of actual required average annual tax rate under the various assumed economic patterns. This involves the use of precise computational techniques which are too intricate for presentation here.

Anticipate Future Taxes

With the Study of Long-Range Benefit Financing and Fund Solvency completed, what use is made of the Study by the Commission and its staff? In view of the range of potential costs based on the economic patterns, the Commission must first determine what constitutes an adequate reserve level to meet the contingent liabilities (costs) shown for the assumed economic patterns. Once a determination of an adequate reserve level is made, then the average required tax rate can be derived in terms of anticipated costs and the current reserve level. In setting the income required, both contribution receipts and interest earnings on the reserve can be used as reserve maintenance factors. Thus, if to maintain a reasonable and adequate measure of solvency an income equaling 1.7 per cent of the taxable payroll seems desirable, then the average tax yield from employers' contributions may be fixed at 1.5 per cent and interest earnings of .2 per cent of the taxable payrolls so as to have an income, as desired, of 1.7 per cent.

It is recognized that this statement represents an over-simplication of financial planning because it does not deal with reserve adequacy measures; "pay-as-you-go" tax rates; efforts to introduce rate stability from year to year; countercyclical financing measures, et cetera. Each of these subjects possibly merits presentation in a separate paper.

The first long-range financing study was completed late in 1952. Re-studies were made preceding the 1957 and 1961 General Assembly sessions. Following the first study, legislative proposals involving the introduction of periodic rate adjustments through use of multiple rate schedules were introduced. Since that time no significant legislative modification has been deemed necessary because in terms of the most commonly used solvency measure, North Carolina's reserve was found to be adequate. This measure—the relationship of reserve fund balance to taxable wage payments—shows that as of March 31, 1961, North Carolina's 7.5 per cent reserve ratio exceeds that in each of the other Atlantic Seaboard States, except the District of Columbia (9.4 per cent). In eight of these 16 states, the ratios ranged from 1.1 per cent to 4.6 per cent. Despite the above normal benefit expenditures in the 1949, 1954, 1958, and 1960 recessionary periods, the annual average contribution rate for North Carolina's unemployment insurance has ranged between 1.21 and 1.61 per cent. Preliminary estimated rates applicable to 1961 payrolls show that 11 of the 16 Seaboard rates exceed the expected 1.5 per cent rate applicable to taxable payrolls in North Carolina. Between 1960 and 1961 the average effective rate on a neighboring state's employers advanced 50 per cent.

In short, North Carolina's industrial structure is such that it cannot support an adequate plan of benefits cheaply, but with continuation of wise planning, it can continue its policy of "stable, but moderate" rates. This means constant study of the economic situation must continue.

A precisely blocked brown campaign hat approaches from across the parade ground. Under it strides a man whose appearance would lead you to believe that he was not born—but issued. The man is lean, leather-lunged and mahogany tanned bone deep. On his arms are four or five stripes, and verticle creases dart downward from the front of his immaculate shirt and trousers to a pair of gleaming shoes. He is not announced. He introduces himself. The impact of this first meeting with the Drill Instructor is never forgotten.

"All right, you people. Look up here! Feast your eyeballs on me because I'm your Drill Instructor.

"My name is Gunnery Salt! For the next 12 weeks I'M gonna' be with you morning, noon, and night. I'M gonna' spend every second of it making you into Marines. I'LL be your mother, father, sister, brother—and all your problems will be my problems. And we're gonna' solve those problems—my way!

"Cooperate. Keep your eyes and ears open and your mouths shut. And we'll get along. You goof off and I'll be right on your backs. Whenever you speak to me, first word you say is SIR!

"You people are gonna' learn courtesy and discipline like you know your own names. Remember that! You don't move until I say move. And when I say move —you MOVE! Remember that! Now face to the right—follow me."

"Look up here you people!"---The Making Of A Marine

Throughout North Carolina and the coastal section of South Carolina, a product is being sold to young men and women, a product they cannot feel, taste or see, but a product which will pay immense dividends in their future. The salesman is a Marine recruiter. The product is the U. S. Marine Corps.

The main recruiting office, located in Raleigh, N. C., supervises recruiting substations in Asheville, Charlotte, Greensboro, Hickory, Raleigh, Salisbury and Wilson, and in Florence, S. C. The operation of the Carolina Recruiting Area is directed by the Officer In Charge, Captain Chester T. Jones, USMC. Captain A. H. Perry, Jr. is the Recruiting Officer and Captain William H. Rice, the Officer Selection Officer.

Marines assigned here process applicants for enlistment, manage passenger and freight transportation, procure supplies and utilities, and effect dissemination of Marine news and publicity for public consumption.

The recruiting substations in turn are assigned from one to three recruiting salesmen depending upon the population and applicant potential of the surrounding cities and counties. Recruiting personnel are carefully selected for their intelligence, good conduct, military bearing, appearance and their special fitness for recruiting duty. This is a demanding and unusual tour of duty for the professional Marine.

Upon completion of a comprehensive six-week recruiting school at Parris Island, South Carolina, with instruction in salesmanship, public speaking and administration, the Marine recruiter is assigned to one of five Recruiting Districts in the United States. The recruiter is then placed within the District as the need exists. North Carolina is part of the Sixth District with headquarters in Atlanta.

If assigned to the Carolina recruiting area, the Marine soon finds that his schooling has only begun. A five-day orientation course on the local procedures of salesmanship, publicity, transportation and supply are but a few subjects the recruiter must know to supplement what he has already gained in Recruiting School. The recruiter salesman is then assigned to a substation where he will work closely with an experienced recruiter.

Quality, Not Quantity

The recruiter is never permitted to forget that quality rather than quantity is the goal. The recruiter receives a quota to fill each calendar month. This quota varies from month to month with the needs of the Marine Corps.

Only his salesmanship is untried. The product the recruiting salesman presents is his profession. In this respect he is well qualified, for the average recruiter has more than 10 years service as a professional Marine. A Marine recruiter is therefore representative of his product and is selling his profession to a young man or woman whom he believes will be of future benefit to the Marine Corps.

The character of the applicant offering himself for enlistment is carefully examined, his habits and general reputation in his neighborhood determined, and his physical fitness established beyond a doubt. The Marine Corps is in no sense a reform institution. Men and women in need of reform will not and are not knowingly enlisted. When it becomes known in the community that the character of Marine Corps personnel is of a high standard, then it is believed that the necessary quota can be readily obtained. Only the specifically fit person is accepted. A yardstick used by the recruiter in the initial interview is: "Would I want this man in my platoon in combat?"

Upon entering the Marine Corps, the duties and responsibilities of the individual Marine and the significance of the oath is fully explained. Ordered to the Marine Corps Recruit Depot, Parris Island, for recruit training, the young man from North Carolina enters a strange and exciting new world. During the following 12 weeks he will be completely remodeled into the basic Marine.

Immediately upon arrival at the Recruit Depot, he is shown to the receiving barracks. There he completes various forms which the Corps will use in providing him pay, medical care and the like. He then joins a group of about 70 other young men outside the barracks in a haphazard formation. And he meets his drill instructor. (See above.)

So begins the making of a Marine. Upon successful completion of recruit training, the basic Marine is ordered to Infantry Training Regiment, Camp Lejeune, N. C. At this sprawling Marine base, the basic Marine learns combat training and teamwork. In the next four weeks he will emerge into the finished Marine. Now he is ready to take his place alongside other Marines, to join the most elite Corps in the world. He becomes a U. S. Marine!

Various duties are awaiting the young Marine. He may be assigned to duty at an American Embassy in a foreign land. He may have sea duty aboard an aircraft carrier such as the USS FORRESTAL. Duty may be as a rifleman in the Fleet Marine Force or a reconnaissance company. If qualified, he may be sent to a technical school for training in a specialized field. Whatever the duty, it will be as a Marine in the service of his country.

By Sgt. Richard Moran
U. S. Marine Corps Main Recruiting Office, Raleigh

Tenney Likes Local Office Services

By Mildred Miller, *Tenney Engineering Company*

When Tenney Engineering, Inc. selected Wilmington, N. C., as the location of its Air Conditioning, Heating, and Refrigeration Division, it brought a new industry to the area. With the official opening of the Tenney facility in June, 1960, the task of heavy recruitment of workers was at hand. Therefore, the availability of adaptable local labor to our industry was an important factor.

It is well known that in setting up a new plant, hiring must be accomplished in keeping with the demands of production, and then most often as quickly and efficiently as possible. The local Wilmington Employment Security office has been a tremendous help to us during this period, and the staff of the local ESC office has rendered valuable assistance.

How did we accomplish this program quickly and efficiently?

We utilized the many services that were available at the local ESC office. Here in Wilmington, ESC is the only source handling the local market of unemployed workers, and this places the ESC staff in an excellent position to execute the primary phases of recruiting. In order to make full use of this situation, we requested that the ESC office undertake the details connected with the filing of applications for employment with our company, and guided by our requirements, partially screen the applicants.

As a second step of ESC participation, a testing program geared to determine the capability of an applicant to adapt to our particular type of operation was conducted by ESC for our ready reference. With this information at our disposal, we were able to select for further interview by Tenney, those applicants whose aptitudes indicated qualifications which required further consideration for employment. It is obvious that all the preliminaries have been time savers for our Personnel Department during our busy recruiting periods. We have continued to use the same method in handling intermittent hiring up to the present day. As a result of this selective recruiting, we are proud to say that Tenney's new employees have proven to be generally of uniform high quality with a strong desire to work and ability to learn.

Along with the competent aid of the ESC personnel, the splendid cooperation and the interest shown by our industrial neighbors has made our first year in Wilmington not only pleasant, but an easier task of facilitating our "settling-in" period.

Mildred P. Miller, Personnel Supervisor with Tenney Engineering, Inc., moved to Wilmington in 1960 to handle personnel recruitment when the new Tenney plant opened. A native of New Jersey, she worked for some time at Tenney's home office in Union, N. J., holding the positions of Supervisor of Office Serviees, secretary to the president, and handled various personnel functions for that division. She graduated from the Newark School of Fine and Industrial Art, and took courses in business and personnel management at Rutgers University. Mrs. Miller makes her home in Wilmington now and says she "finds living in the south a gratifying experience."

POPE AIR FORCE BASE, HOME OF THE 464th TROOP CARRIER WING

—Continued from page 28—

Meantime Pope AFB itself was geared for a maximum effort in furnishing operations, weather, food, billeting, transportation, exchange, club and other facilities and services for the transient crews and hundreds of other visiting personnel. Annual joint maneuvers involving the Reserve forces, such as SWIFT STRIKE in August 1961, necessitate similar maximum efforts on the part of the base, its officers, airmen and civilian employees.

Economic impact of Pope AFB on adjoining communities is considerable, even if overshadowed by the big neighboring Army complex at Fort Bragg. Total operating cost of the air base approaches the $15 million mark annually.

Over a recent six-month period the base's bills for contractual services and locally procured supplies amounted to nearly $530,000.

The monthly payroll for its military complement of around 2500 officers and airmen exceeds $700,000, while assigned civilian employees, numbering approximately 275, draw pay amounting to more than $100,000 each month.

Clearly most of these payrolls are spent in the local area. Over half the officers and airmen are married, and roughly 85 per cent of these reside in off-base housing which they own or rent.

A large percentage of the civilian employees, and more military members than might be expected, are native Tarheels.

A surprising number of former Pope officers and airmen adopt North Carolina as a permanent home. Though an extreme case perhaps, a colonel and seven non-commissioned officers retired from active duty at the base July 31, 1961. Five of these men elected to make their homes in the Fayetteville or Southern Pines areas, though only one of the five—born in Sampson County—was a North Carolinian by birth.

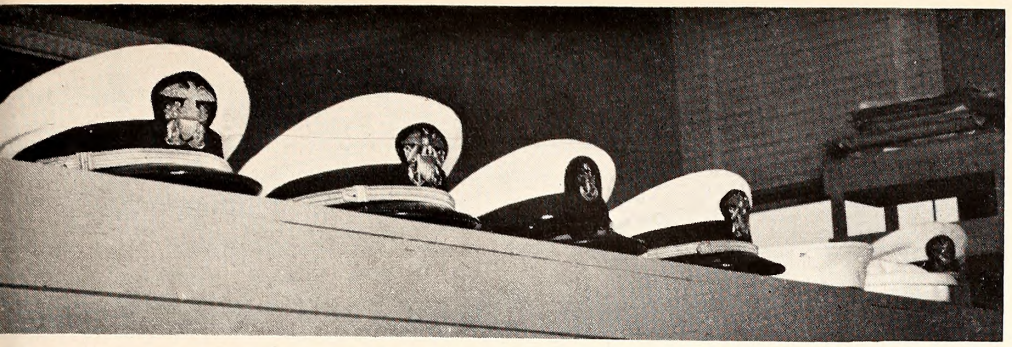
The Air Force Reserve also has a good representation in the Fayetteville area, including Flight "B", 9946th Air Reserve Sq., while the city's mayor, the Hon. Robert H. Butler, a lawyer and much decorated World War bombardier, has a mobilization assignment as a Lieutenant Colonel legal officer at the base. An organized Reserve unit composed chiefly of Carolina residents—the 18th Aerial Support Sq.—is located at Pope, while approximately 370 Air Force Reservists from the area performed annual two-week active duty tours at the base last year.

With its considerable active, reserve, and retired membership in and around Fayetteville, it is hardly surprising that Pope AFB takes an active part and interest in affairs of the community.

The base cooperates whole-heartedly in the annual Cumberland County United Services Fund Campaign, and in the 1960 drive Pope personnel contributed over $10,000 or over $3 per person.

Pope's members play key roles in local church, scout and other worthwhile community activities. Key base officials —commanders, legal, law enforcement, safety, religious and others—keep in close contact in complete harmony with their civilian counterparts.

The Air Force's operation at Pope AFB is important to the nation's security. At the same time, though, its officers, airmen and civilian employees also are doing their part in contributing to community welfare and in helping the nearby city justify its billing as "friendly Fayetteville."



NAVY RESERVE HAS STRONG TRADITION IN N. C.

By Lt. R. F. Harvey, USN
Public Information Officer
Headquarters, Sixth Naval District, Charleston, S. C.

"I have not yet begun to fight!" declared a North Carolina sea captain from the deck of his gallant, sinking ship, the BON HOMME RICHARD during its memorable duel with the British frigate, the SERAPIS.

These unforgettable words were spoken by John Paul Jones, one of the Navy's greatest heroes, when asked to surrender to an enemy of vastly superior strength. Jones' old rotten craft had filled with three feet of water, her guns were out of commission, rudder and rigging shot away and fires were fast approaching the magazine.

His fighting words have inspired Navy men from the early revolutionary days to the present. And, as the story goes, John Paul Jones was from North Carolina.

Born in Scotland as John Paul, he came to America where he was befriended by the two Jones brothers of North Carolina, Willie of Halifax County and Allen of Northampton. An old tradition says John Paul lived at their estates, enjoying their hospitality. In gratitude for the help he received, he adopted their name as his own with a vow to always honor it.

From this early time the citizens of North Carolina have always taken a deep interest and pride in their U. S. Navy. A recent example of this patriotic zeal was the purchase of the battleship NORTH CAROLINA to make it a World War II memorial and state shrine. "Few campaigns in recent years have captured the imagination of Tar Heel citizens as has the fight to save the battleship NORTH CAROLINA from a junk heap in New Jersey," according to the *Wilmington News*.

This modern incident of patriotism is an example of the deep interest and great pride that North Carolinians have had in the Navy, even from the days of John Paul Jones. Many citizens of the state have served with honor aboard "fighting men of war" of the U. S. Navy in both world wars and during the Korean conflict. And during the Woodrow Wilson administration, North Carolina's Josephus Daniels served as Secretary of the Navy.

Continued interest in keeping the U. S. Navy strong as a bulwark of freedom is demonstrated by Naval Reserve training programs now being carried on in seven centers and two electronic facilities throughout North Carolina. Naval Reserve Training Centers are located in Asheville, Charlotte, Durham, Winston-Salem, Greensboro, Raleigh and Wilmington. Naval Reserve Electronic Facilities train men in this critical rate at Shelby and Statesville.

These centers have a total of 1,394 ready reservists, expert in Navy skills.

Because of the high cost of maintaining large naval forces, the United States has adopted a peacetime policy of training civilian volunteers in the Naval Reserve. This is done at only a fraction of the cost of taxpayers' money which would be required to keep this number on full active duty.

On June 30, 1961, the on-board strength of the regular Navy totaled 626,600 men on full-time active duty. These are supported by 579,513 Naval Reservists in ready and standby billets. Nearly half of the personnel are in the Naval Reserve. Purpose of the Naval Reserve is to provide a large force of qualified and trained officers and men in civilian life who will be available for immediate mobilization in the event of a national emergency, ready to augment the personnel of the fleet.

As a vital part of the national defense, North Carolina Naval Reservists do their part to protect the American way of life that guarantees the individual and his family the freedoms, rights, priviliges and opportunities enjoyed. These are the envy of many nations today. Our national heritage guarantees under the Constitution the dignity of man, his right to choose his religion, his profession, his right to own property, to move about as he chooses, and his right to oppose those things which he believes to be unjust.

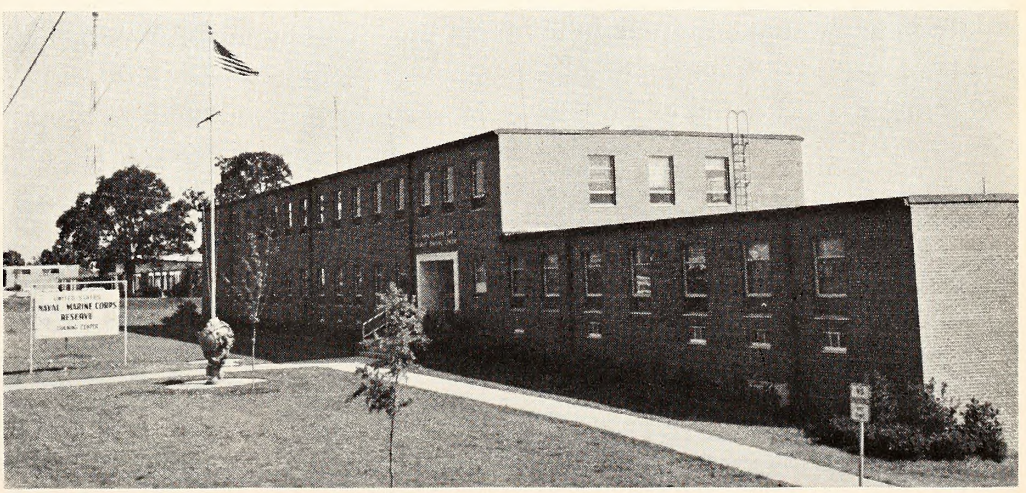
Once, our nation had time to gather its strength. Today, we must be ready. We must have trained men and women to keep the seas free. It is the Naval Reserve, trained in the newest applications of scientific advancement, that stands shoulder to shoulder with our regular Navy, ready to defend our country on the sea, under the sea, in the air, and in space.

A major function of the Naval Reserve is to train its members to use their civilian skills or service-taught trades to the best advantage wherever the Navy operates.

At each of the seven N. C. Naval Reserve Training Centers the best available buildings are provided. All kinds of visual teaching methods, cutaway models to teach the internal workings of motors, mockup panels, training manuals, and motion pictures make the training speedy and interesting.

Although service in the Naval Reserve is a patriotic duty a citizen may perform, it also has many advantages to the individual. Naval Reservists receive one day's pay for every night they serve at training centers. During two weeks active duty for training each year, they receive full pay during the time they cruise in ships or train at shore installations. Pay is according to rate for both drill and annual cruise.

The Naval Reservist qualifies for many retirement benefits upon completion of 20 years of satisfactory Federal service. These retirement benefits re-



Roleigh's reserve troining center is locoted on Western boulevard. Completed obout four yeors ago, the unit houses both Novy ond Morine Corps reserve components ond is one of the stote's best equipped for reserve training . . . o busy ploce during Novy and Morine Corps Reserve multiple ond regulorly scheduled drills.

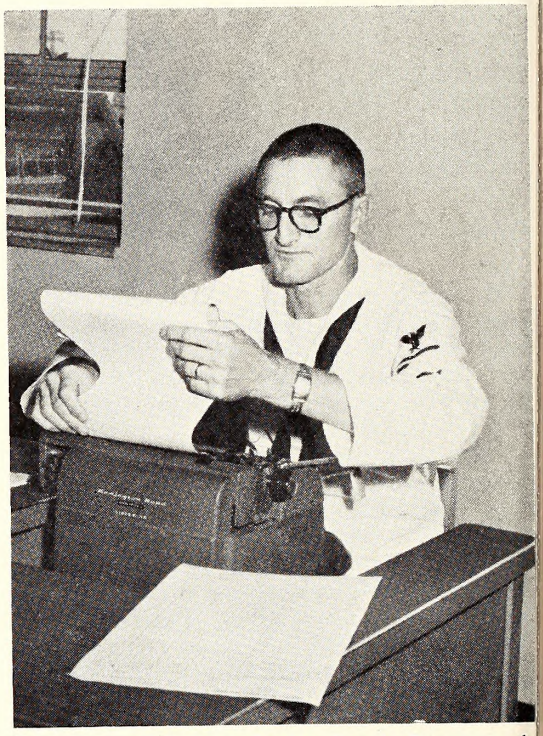
ceived at the age of 60 usually amount to what a good-sized insurance policy would bring. Skills learned while training at Naval Reserve Training Centers benefit the reservists in his civilian occupation. For instance, if he is an electronics technician in civilian life, further study to make his rate in the Navy is an added advantage to him in his civilian occupation.

And, of course, there is increase in income. The 1,394 Naval Reservists of the 19 units in training in North Carolina received a total of $388,142 the past year, an average of $278 per reservist. The six officers and 86 enlisted personnel of the regular Navy who maintain those training centers receive an annual income of $395,953. In addition to salaries, the Navy spends annually $73,337 in maintaining and operating these facilities. This money stays within the community.

By the multiple factor, the money received by Naval Reservists and expended by the Navy in North Carolina changes hands to increase in size at least five times, thereby aiding materially the state's economy.

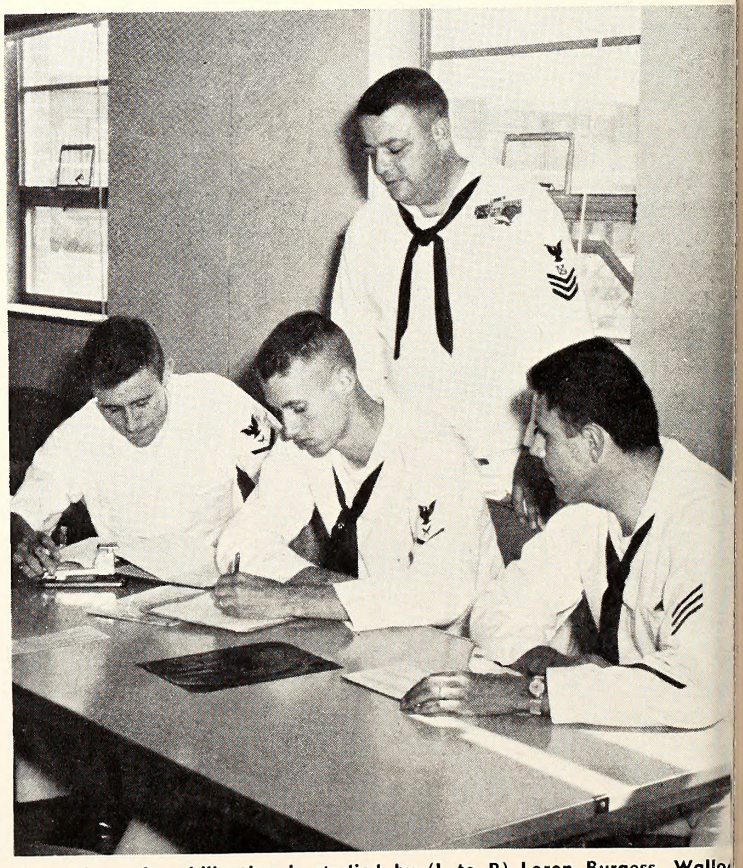
—See NAVY RESERVE, Page 90—

Common sight on ony drill night is formotion for muster and onnouncements. This is one of the 19 units drilling in North Corolina. Here, the Commanding Officer of the Troining Center conducts on administrotive inspection. These reserve members hold o voriety of civilion occupations.



Ermon King of Roleigh devotes time to Reserve work A post office employee, he ottends 48 drills eoch yeo ond two-weeks training duty.

Members of the NR Mobilization Team, Division 6-12, in Roleigh ore (L to R) Norris Roszel and Ray Fisher, Haspital Carpsmen 1st closs, and Dr. Thomos Greer, a reserve Lieutenont Commonder, study on immunizatian form during a weekly drill. They comprise the team's medicol unit.



A problem of mobilizotion is studied by (L to R) Loron Burgess, Wallo Price, Cloude Lorren, ond Grody Chopmen. The team is composed almost 30 civilian members who porticipote in Novol Reserve troining. Tv Mabilizotion Teams ore located in North Carolina.

1.5%

Average Payroll Tax Rate Expected For 1961

Employer Payroll Tax Rates Indicate Sound UI Financing

By Stanhope Dunn
Supervisor of Reports and Analysis
N. C. Employment Security Commission

In 1960, the N. C. Employment Security Commission collected $38.3-million in contributions from employers covered by the state's Employment Security Law, and disbursed $35.6 million in benefits to the eligible unemployed. At the end of the year, the state's Trust Fund for the payment of benefits stood at $186.6 million, an amount equivalent to 7.9 per cent of taxable wages for the 12 months ended June 30, 1960. On December 31, 1960, only nine states had a more favorable reserve-fund-to-taxable-wage ratio. Of the nine states, only Wisconsin and Washington have more than half of North Carolina's work force. This healthy position of the state's employment compensation program is in sharp contrast to the position of three other states which had to borrow an aggregate of $223.8 million from the Federal Unemployment Account during the years 1957-60 to tide them over financial difficulties.

Why is North Carolina in a healthier financial position with respect to its unemployment insurance program than a number of states?

The answer is simple. This state has pursued a moderate financial policy. It has striven to maintain a reasonable relationship between benefit disbursements and contribution receipts, and giving effect to this basic policy is the Commission's administration of its Experience Rating Program.

The term "experience rating" signifies a plan by which employers are taxed to support the unemployment insurance program in direct proportion to the degree of unemployment experienced by their workers. Thus, the more erratic and long-lasting the unemployment experience of an employer's workers, the higher the contribution rate assigned that particular employer. Although some states may be currently assessing a maximum or standard contribution rate to all employers to bolster the solvency of their unemployment compensation trust fund, the principle of experience rating is recognized and normally applied in rate making by all states.

The experience rating plan in North Carolina consists of a series of eight rate patterns designed to vary contribution receipts consistent with maintaining the solvency of the Trust Fund. In other words, when the Trust Fund, which represents the accumulated excess of contribution and interest receipts over benefit disbursements, is high in relation to potential benefit liabilities measured in terms of taxable wages, the experience rating formula automatically assigns a low schedule of contribution rates. For example, when the Trust Fund reserve balance is the equivalent of 10.5 per cent or more of taxable wages, employer rate Schedule H applies, which provides for individual employer contribution rates ranging from 0.1 to 2.7 per cent of taxable wages. Likewise, should the reserve fund drop to less than 4.5 per cent of taxable wages at the computation date, Schedule A with a pattern of rates ranging from 0.9 to 2.7 per cent is used in the following calendar year.

In addition to the eight scheduled rate patterns for those employers with some reserves, there is an experience rating schedule also for those employers with overdrawn reserve accounts; i.e., during their entire coverage under the program accumulated benefit charges have exceeded total contribution and interest receipts. These penalty rates range from an assigned contribution rate of 2.8 per cent of taxable wages for those employers who have debit ratios equivalent to 0.2 per cent or less of taxable wages to a top contribution rate of 3.7 per cent for those with debit ratios of 1.8 per cent or more of their taxable wages.

The first step in the rate-assigning process is to compute the state-wide Trust Fund reserve ratio by dividing the state's August 1st Trust Fund by taxable wages for the fiscal year ended June 30th. The size of this reserve ratio determines which of the eight employer rate schedules is applicable in the following calendar year. Schedule E has applied during the past three years, 1959-61, because the reserve ratio has fluctuated between 7.5 and 8.5 per cent of taxable wages.

The second step is computing each individual employer's reserve ratio. The formula for determining this ratio is as follows: All contributions paid in, plus interest and other credits to the employer's account, minus all benefit charges against the account during the entire period under the program, divided by the employer's taxable wages for the three preceding fiscal years gives the respective reserve ratio. Each employer's computed reserve ratio is then related to the applicable rate schedule to determine his contribution rate for the next rate year.

Since both the employer's individual contribution rate and the basic rate schedule fluctuate in relation to the degree of solvency of the reserve fund, the remaining major problem is to tailor benefit disbursements to fit the needs of the economy, consistent with sound financing. North Carolina is indeed fortunate that the state's Employment Security Commission has followed a moderate course. Were it not for tying contribution rates to reserve fund solvency and pursuing a sound benefit disbursement policy, this State might well have found its unemployment insurance program in financial difficulty as have several others. Once in difficulty, a state has to raise its contribution rates drastically and/or reduce its benefit disbursements by restricting the benefit formula in order to rebuild its reserve funds.

In 1960, the average contribution rate for North Carolina employers was 1.6 per cent as compared with an average national rate of 1.9 per cent. Twenty-four states had a higher contribution rate, including eight that had a 2.7 per cent or higher average rate, which is the top rate in North Carolina for all those employers whose reserves are not overdrawn.

It is well to recognize that the average annual employer tax rate for North Carolina during the ten-year period 1951-60, was only 1.41 of taxable wages as compared with an average annual cost rate for the same period of 1.53 per cent. Of course, interest income more than bridged this gap between contributions and benefit disbursements to permit a moderate rise in the total reserve fund. Nevertheless, the adequacy of the reserve fund, as measured by its ratio to taxable and total wages, has been declining in recent years because of the steady rise in total and taxable wage payments. This trend will bear watching, because sooner or later the excess of contributions and interest income over benefit disbursements must be increased if we are to retain the Trust Fund's solvency.

In this connection, employers can also play an important part in preserving the financial soundness of our unemployment insurance program and in reducing their individual contribution rates. The employer's participation may revolve around these four themes: (1) Promoting, in so far as possible, more stable employment in its operations; (2) Requesting, in the case of a highly seasonal establishment, a "Seasonal Pursuit" designation; (3) Cooperating with the Commission in its administration of the

FUND RATIO SCHEDULES

When the Fund Ratio Is: As Much As	But Less Than	Applicable Schedule
———	4.5%	A
4.5%	5.5%	B
5.5%	6.5%	C
6.5%	7.5%	D
7.5%	8.5%	E
8.5%	9.5%	F
9.5%	10.5%	G
10.5% and in excess thereof		H

EXPERIENCE RATING FORMULA

When the Credit Reserve Ratio Is: As Much As	But Less Than	Schedules A	B	C	D	E	F	G	H
———	1.4%	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
1.4%	1.6%	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.5
1.6%	1.8%	2.7	2.7	2.7	2.7	2.7	2.7	2.5	2.3
1.8%	2.0%	2.7	2.7	2.7	2.7	2.7	2.5	2.3	2.1
2.0%	2.2%	2.7	2.7	2.7	2.7	2.5	2.3	2.1	1.9
2.2%	2.4%	2.7	2.7	2.7	2.5	2.3	2.1	1.9	1.7
2.4%	2.6%	2.7	2.7	2.5	2.3	2.1	1.9	1.7	1.5
2.6%	2.8%	2.7	2.5	2.3	2.1	1.9	1.7	1.5	1.3
2.8%	3.0%	2.5	2.3	2.1	1.9	1.7	1.5	1.3	1.1
3.0%	3.2%	2.3	2.1	1.9	1.7	1.5	1.3	1.1	0.9
3.2%	3.4%	2.1	1.9	1.7	1.5	1.3	1.1	0.9	0.7
3.4%	3.6%	1.9	1.7	1.5	1.3	1.1	0.9	0.7	0.5
3.6%	3.8%	1.7	1.5	1.3	1.1	0.9	0.7	0.5	0.4
3.8%	4.0%	1.5	1.3	1.1	0.9	0.7	0.5	0.4	0.3
4.0%	4.2%	1.3	1.1	0.9	0.7	0.5	0.4	0.3	0.2
4.2%	4.4%	1.1	0.9	0.7	0.5	0.4	0.3	0.2	0.1
4.4% and in excess thereof		0.9	0.7	0.5	0.4	0.3	0.2	0.1	0.1

RATE SCHEDULE FOR OVERDRAWN ACCOUNTS

When the Debit Ratio Is: As Much As	But Less Than	Assigned Rate:
———	0.2%	2.8%
0.2%	0.4%	2.9%
0.4%	0.6%	3.0%
0.6%	0.8%	3.1%
0.8%	1.0%	3.2%
1.0%	1.2%	3.3%
1.2%	1.4%	3.4%
1.4%	1.6%	3.5%
1.6%	1.8%	3.6%
1.8% and over		3.7%

program; and (4) Making voluntary contributions to its reserve fund when financially expedient.

With respect to stabilizing employment, every employer would naturally choose to have enough business (and favorable weather for outside activities) to operate steadily throughout the year. Granted that some industries, such as fishing, construction and tobacco processing, are subject to a high degree of seasonality, all employers can improve their experience rating to some degree by scheduling their work so that their workers will be more fully and regularly employed for a greater portion of the year.

This objective might be clearer if we contrast it with the indiscriminate hiring and releasing of large groups of workers. Under the experience rating system, the accounts of employers are charged with the unemployment insurance paid to their workers pursuant to the provisions of the benefit formula. Therefore, any progress made in spreading the work and in maintaining as steady employment as possible will reduce the unemployment of their workers and, in turn, their contribution rates.

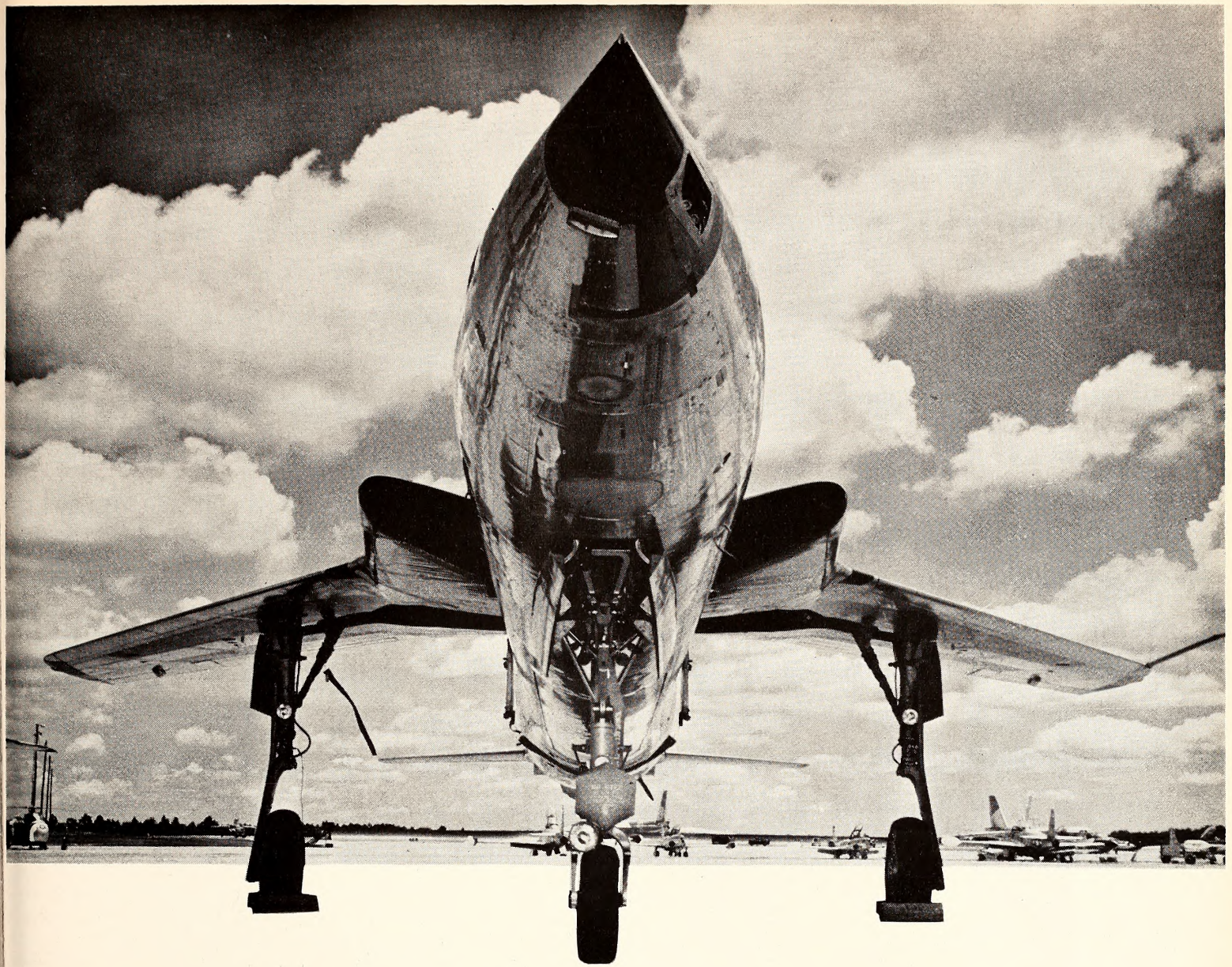
Under Section 96-16 of the Employment Security Law, an employer operating within a regularly recurring active period or periods of less than an aggregate of 36 weeks in a calendar year may request a "Seasonal Pursuit" designation. This designation restricts the benefit payments charged to the employer's account to unemployment occurring only during the seasonal period as defined. Thus, highly seasonal employers with this designation are responsible for the unemployment experience of their workers for experience rating purposes only during their normal operating period each year.

Once a worker becomes unemployed, the employer can improve his experience rating in other ways. He may assist the worker in finding new employment. When additional workers are needed, it is to his advantage to recall those former workers who are still unemployed and drawing benefits against his account. Also, employers should cooperate in attending hearings involving contested claims and in reporting irregularities of claimants inconsistent with the unemployment insurance program.

As pointed out previously, the individual employer's contribution rate is dependent upon his reserve ratio which is applied to the appropriate rate schedule; a reserve ratio of 2.999 per cent would yield a contribution rate of 1.7 per cent in Schedule E, whereas a 3.0 ratio would yield a 1.5 contribution rate. It is apparent, therefore, that only a few dollars in an employer's reserve account might be the difference between a 1.7 and 1.5 contribution rate. In such cases, the voluntary contribution provision of the Law is pertinent. Where it is to the advantage of the employer to add funds to his reserve account in order to lower his contribution rate, this is permitted during a 30-day period each year commencing with the date of notice of the status of his reserve account which is usually about November 15th.

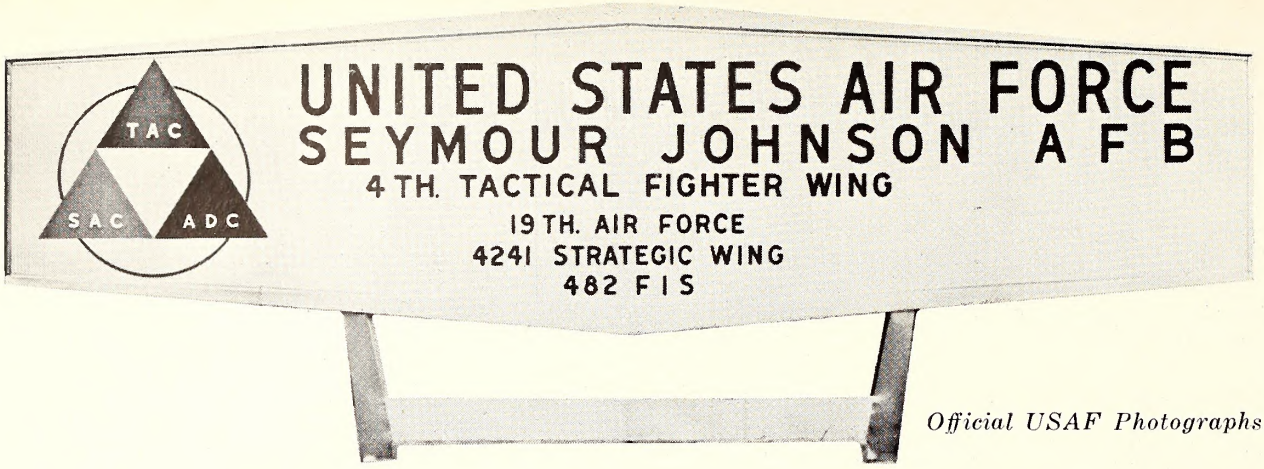
In addition to administrative and employer policies, there is yet another force that is emerging as a dominant factor in the near-term experience rating operations. It is the accelerating economy which in time will greatly reduce unemployment, and, in turn, the benefit drain on the Trust Fund. With the rising tempo of business from the recent recession and the added impetus exerted by the expanding defense program, the question, with respect to the trend of contribution rates in the next several years, will be whether benefit costs will drop enough to permit an uptrend in trust fund reserves commensurate with the expected rise in wage payments. If total wage payments, which measure the potential unemployment insurance liability, rise at a rate faster than the Trust Fund, this would result in a lower reserve ratio and, in turn, higher contribution rates even though we could be enjoying a business boom.

Let us hope, therefore, that the insured unemployment rolls can be reduced sufficiently to generate enough surplus to at least maintain the current reserve ratio of approximately 7.9 per cent of taxable wages and the current contribution rates.



SEYMOUR JOHNSON

AIR FORCE BASE



Official USAF Photographs

ENTRANCE TO ONE OF NATION'S MOST VITAL AIR FORCE INSTALLATIONS

Material Submitted by the Public Information Office, Seymour Johnson AFB

Seymour Johnson is one of the most unique Air Force bases in the United States. Three major air commands are stationed at this sprawling, modern facility which serves as a model of efficient Air Force operation.

These three commands are the Tactical Air Command (TAC), Strategic Air Command (SAC), and the Air Defense Command (ADC).

Units of TAC stationed at Seymour Johnson are the famous Fourth Tactical Fighter Wing and Headquarters, Nineteenth Air Force. SAC maintains a fleet of B-52 "Stratofortress" jet bombers and the KC-135 tanker for air-to-air refueling in its 4241st Strategic Wing, and the 482nd Fighter Interceptor Squadron of ADC is always on the alert with its F-102 fighter interceptors.

These three commands have a variety of missions. With complete cooperation between every unit stationed at Seymour Johnson, the base presents one of the most formidable military forces in the United States. Inventory of aircraft alone exceeds $415.1 million. Value of equipment required to maintain this aircraft is over $23.36 million. The entire dollar worth of Seymour Johnson is $542.6 million!

The 4,100-acre Air Force base utilizes the skills and talents of 730 officers, 5,081 airmen, and about 500 civilian employees. Presently, there are over 5400 heads of families assigned to the base, and over 7500 dependents residing in Wayne County.

Monthly payroll of Seymour Johnson averages $1.8 million. Just what portion of this remains in Wayne County is hard to determine, but knowing the needs of 13,000 people for housing, food, and clothing, officials of the base note that this expenditure of money is vital to local economy.

The yearly payroll for military personnel exceeds $19.95 million and the civilian pay surpasses $2.06 million.

Of the many types of aircraft assigned to Seymour Johnson, the most important are the B-52, KC-135, F-105, and the F-102.

Strategic Air Command

SAC's KC-135 aircraft is an in-flight refueling tanker capable of supplying all major bombers and fighters assigned to Seymour Johnson with additional fuel to extend their range of combat. The KC-135 is a $4-million aircraft while SAC's B-52 Stratofortress costs over $7.5 million. SAC constitutes the major portion of the U. S. Air Force nuclear striking force. It is the organization that would instantly counterattack in the event of global aggression.

Nestled in the alert area, B-52 bombers and KC-135 tankers belong to the 4241st Strategic Wing of SAC. Established in March, 1946, SAC has utilized the concept of force dispersal. If SAC's forces were bunched in a limited number of locations, an enemy attack could conceivably destroy a major portion. But with SAC's forces dispersed to a variety of locations, it is improbable that enemy action would destroy SAC bases simultaneously.

Bombers on alert at Seymour Johnson, as part of this dispersal program, are poised and ready for their role in national defense. They are parked near the ends of runways. Maintenance crews constantly check and recheck each aircraft. Bomber crews pull shifts of alert duty around the clock. They eat and sleep near their aircraft. Their duty uniform is flying clothes. They know the targets and mission routes they must fly to reach them. In a state of constant readiness they are never more than a few minutes away from being airborne.

Tactical Air Command

Primary mission of TAC's aircraft is the attainment and maintenance of air superiority through the destruction of any enemy air forces and supporting elements. Two TAC units are stationed at Seymour Johnson. They are the Fourth Tactical Fighter Wing, the first unit in the Air Force equipped with the F-105 "Thunderchief," mach-two fighter bomber, and the Nineteenth Air Force.

The Fourth Tactical Fighter Wing has a fabulous heritage, dating from its birth at Debden, England, 17 years ago. In World War II and in Korea, the Fourth produced 94 aces. Today, with F-10

COLONEL DAVID W. ALEXANDER, BASE COMMANDER, Seymour Johnson AFB, graduated from VPI in 1939 with a BS degree and reserve commission in the Coast Artillery Corps. Accepted as a student officer in the Air Corps Flying program in 1941, Colonel Alexander subsequently served with the Eighth Air Force in England during WW II and participated in some 30 missions, including the famous low-level bombing run over the Ploesti oil fields in Romania. Later he served in Frankfurt, Germany, in the occupation forces. He has served with the Fifth Air Force in Japan. He attended the Air Command and Staff School in 1947, the Air War College in 1951, and the Industrial College of the Armed Forces in 1956. Colonel Alexander served as a faculty member at the ICAF. He is a command pilot, jet qualified, with more than 4000 hours flying time.

MAJOR GENERAL M. A. PRESTON, Commander, TAC's 19th Air Force, graduated from the Military Academy in 1937. For the next three years he served as squadron operations officer and squadron commander. From 1942 through 1945, he served as deputy group commander, group commander, and wing commander of various AF bomb groups and wings in Utah, Kansas, and in the European theater. General Preston was assigned as Base Commander of the 231st Army Air Force at Alamogordo, New Mexico in 1945. He later attended the Air Command and Staff School, and going overseas in 1949, was appointed Deputy Commander for Plans and Operations of the US Northeastern Command, St. Johns, Newfoundland. Joining the Strategic Air Command in March, 1952, General Preston served as Commander of the 308th Bomb Wing and the Fourth Air Division. From August, 1957, until assuming command of the 19th Air Force, Seymour Johnson AFB, he held the position of Director of Operations, Headquarters, USAF. Having held both navigator and bombardier ratings, the General is currently an active command pilot with over 6000 hours flying time. As Director of Operations, he flew every operational type aircraft in the Air Force inventory, as well as many prototypes undergoing Air Force evaluation. He was born in 1912, California.

BRIGADIER GENERAL JOSEPH H. MOORE, Commander, 4th Tactical Fighter Wing, is a native of South Carolina. He was awarded his pilot's wings and second lieutenant's commission in the Army Air Corps in June, 1938. At the outset of WW II, General Moore was stationed in the Philippine Islands and by April, 1942, had flown 100 combat hours in P-40 fighters. In Europe he participated in the Normandy, North France, and Rhineland campaigns, and in 1946, with the Army of occupation in Germany. Returning from Europe, he was assigned duty in the Pentagon as Deputy Chief and later, as Chief of the ZI Commands Branch, Office of the Director Of Plans and Operations, USAF. In 1951, General Moore assumed command of the 137th Fighter Bomber Wing in Louisiana, and also served as Base Commander. The General's third tour of duty in Europe began in May, 1952, when he moved the first Fighter-Bomber unit assigned to NATO to France. In April, 1953, he was designated Deputy Chief of Staff, US Air Forces in Europe, and later Vice Chief of Staff, USAFE. Attending the National War College in 1955, General Moore subsequently served in Indiana and South Carolina, and took command of the Air Force's most famous Fighter Wing, 4th Tactical Wing, in February, 1959.

COLONEL OSCE V. JONES, Commander, 8th Air Force's 4241st Strategic Wing, is a veteran of 18 years military service including four years overseas. A native of Georgia, Colonel Jones flew 21 combat missions as a B-17 pilot in Europe during WW II. He was the first American to be interned from July to December, 1943, in Sweden. He was taken prisoner by the Germans in April, 1944, and held captive until June, 1945. Colonel Jones has held key assignments as Branch Chief, Director of Requirements, Headquarters, USAF; Director of Material and Deputy Commander of the 2nd Bomb Group, Hunter AFB, Ga.; Chief of Air Force Branch, Military Assistant Division, Headquarters, USEUCOM, Paris, France; and Acting Commander, 4238th Strategic Wing, Barksdale AFB, Louisiana. He arrived at Seymour Johnson AFB from Castle AFB, California, where he had extensive training in B-52's. Colonel Jones attained three years of college credit through extension courses from the University of Maryland, and graduated from the Air Command School in 1948 and the Air War College in 1955. Among his decorations are the Air Medal with four Oak Leaf Clusters, the Purple Heart, and the Air Force Commendation Medal.

LIEUTENANT COLONEL CARL T. WEAVER, JR., Commander, 482nd Fighter Interceptor Squadron, Air Defense Command, is a combat veteran of WW II and Korea. He flew 144 missions in P-40's and P-38's in the Pacific from March, 1943 to December, 1944. His record in the Pacific was three Japanese aircraft destroyed and one probable. During the Korean conflict he flew 100 combat missions in F-86 Sabrejets with the 51st Fighter Wing, and served as Operations Officer, 16th Fighter Squadron of the 51st. A veteran of 19 years military service, Colonel Weaver entered the Air Corps in 1942 and received his commission and pilot's wings in February, 1943. A month later he was flying combat missions. A native of Tennessee, Colonel Weaver was a P-51 instructor in 1945. From 1946 to 1948 he served with the 36th Fighter Group in the Panama Canal Zone. He was an instructor and Gunnery Officer at the USAF Fighter Weapons School, Las Vegas, Nevada, from 1949 to 1951, and later served as Operations Officer and Squadron Commander at ADC Weapons Centers at Yuma, Arizona, Moody AFB, Georgia, and Tyndall AFB, Florida. In 1958 he was a student at the Royal Air Force Staff College in London, England. Colonel Weaver was Operations Officer at Headquarters, USAFE, in Ramstein and Wiesbaden, Germany, from 1959 until he assumed his present duties as Commander of the 482nd Squadron at Seymour Johnson AFB.

Some 500 civilians are employed at Seymour Johnson AFB in vital occupations such as this. Robert Porwell, Vista O'Conner, and Glenn Corr (L to R), supervisor of the Control Room, man the base control center. First in the TAC, the elaborate control center can dispatch aid to any military and civilian emergency which might occur on the base. It is also responsible for utility repair in case of breakdowns at the Capehart housing units.

Mrs. Jenny Morgan, personnel clerk at the Civilian Personnel office at Seymour Johnson, checks a listing on the board which contains civil service jobs available in the southeastern United States. This office handles applications from prospective civilian employees for the huge base. Director Tyler Simpson lists these occupations on page 66. Handicapped employees are an important part of the base's civilian work force.

Civilian civil engineers at the Air Force base are constantly busy with plans of construction and maintenance. Members of the base Civil Engineers Department are (L to R): Roy Campbell, John Groham, Ethel Trotter, and George Hall. With a civilian payroll of over $2 million annually, the importance of the military installation to local employment, and the livelihood of the Wayne County area, is evident.

Thunderchief jet fighters, its pilots can penetrate elaborate enemy air defenses, find their targets and destroy them with nuclear or conventional weapons without once seeing the ground.

Established at Seymour Johnson in 1957, the Fourth Wing received its first Thunderchiefs in 1959 and the grueling program of making the Wing combat ready began. Since then the Wing has developed four squadrons. It includes over 100 pilots who have flown more than 6,000 hours with an outstanding safety record. Thunderchief pilots are practically hand-picked.

Also vital to TAC is the Nineteenth Air Force, probably the most unique unit stationed at Seymour Johnson. Known as the "suit-case" air force because of its unusual mission to fight the "local or small war" so popular with Communist forces today, the Nineteenth is the nucleus of the Composite Air Strike Force. Within minutes after its alert circuit rings, powerful Nineteenth air elements are in motion. The Composite Air Strike Force normally includes squadrons of tactical fighters, reconnaissance units, scores of aerial tankers plus an ocean spanning fleet of troop carrier transports which carry additional personnel and enough supplies to sustain the CASF for 30 days. Organized in 1955, the Nineteenth is assembled from TAC units to meet a particular threat and is ready to go anywhere in the world on a moments notice. It arrives combat ready. It can immediately perform any type of mission from a leaflet drop to a nuclear attack.

482nd Fighter Interceptor Squadron

Mission of the 482nd Squadron is to provide supersonic, all-weather F-102 and crews to maintain a constant state of readiness for Air Defense operations. The job is simply to identify friendly aircraft and intercept and destroy airborne enemy forces which might enter the 482nd area. Part of a network of divisions that form the Air Defense Command, the 482nd covers a strategic land and sea area for the 32nd Air Division which defends southeastern United States. Aircraft control and warning systems, such as the one near Wilmington, N. C., serve the 482nd with capable "eyes." These radar screens detect unidentified airborne tracks. These radar sites complete the three-way communications between the fighter squadron and the Combat Alert Center at the 32nd Division. The need for instant readiness means constant training of aircraft crews and Ground Control Intercept controllers. The controller, through his long-range radar, directs the interceptor into the large area. Here, the fighter's radar takes over to complete the intercept. When an unidentified aircraft crosses the air corridors of our eastern shore, a member of a fighter squadron "scrambles" to intercept the target.

The F-102 "Delta Dagger" is the fighter interceptor used at Seymour Johnson by the 482nd Squadron. An all-weather interceptor, it can travel

upersonic speeds at altitudes above 0,000 feet and has a range of over 1,000 niles.

Editor's note: As a visiting naval re-ervist at the ADC alert hanger several ears ago in Charleston, S. C., I wit-ıessed an unexpected scramble by a ighter from the 444th Squadron. It was ast.

Within minutes after the horn sound-d inside the hanger, the pilot was in is aircraft and airborne. His intercept? A small, civilian plane had unintention-lly violated the air perimeter around he Savannah River Project, 100 miles vest of Charleston.

Economic Impact

Since the reactivation of Seymour ohnson Air Force Base in 1956, many nilitary people and their families have een assigned to the area. To house some f these people and their families, the Air Force completed 1,500 Capehart amily housing units at the base in 958 at a cost of nearly $23 million. One f the largest such projects in the Air orce, the Capehart housing program at eymour Johnson includes brick vaneer omes, completely modern with air con-itioning and the latest appliances.

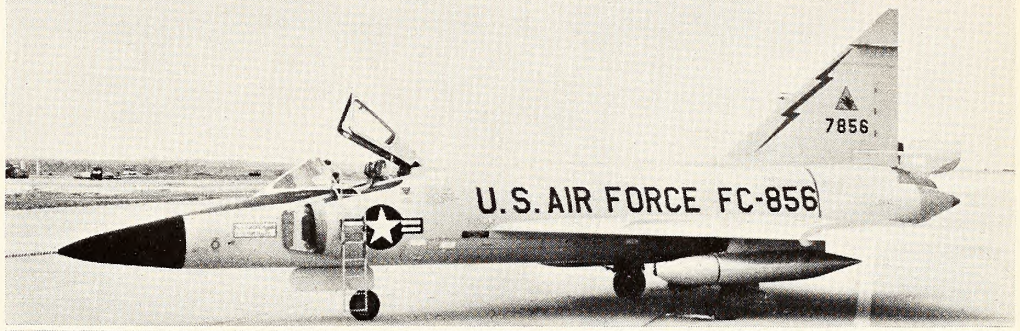
With a total payroll of $22,019,268 to nilitary and civilian personnel, the con-ribution to local economy is evident. lso, the needs of Seymour Johnson are net by various organizations. Major nethod of supply is through local pur-hases on bid contracts. During the past scal year, almost $1.5 million was spent irectly in Goldsboro, while over $1 mil-on was spent in other portions of the Jnited States. These purchases include nly small items and various services.

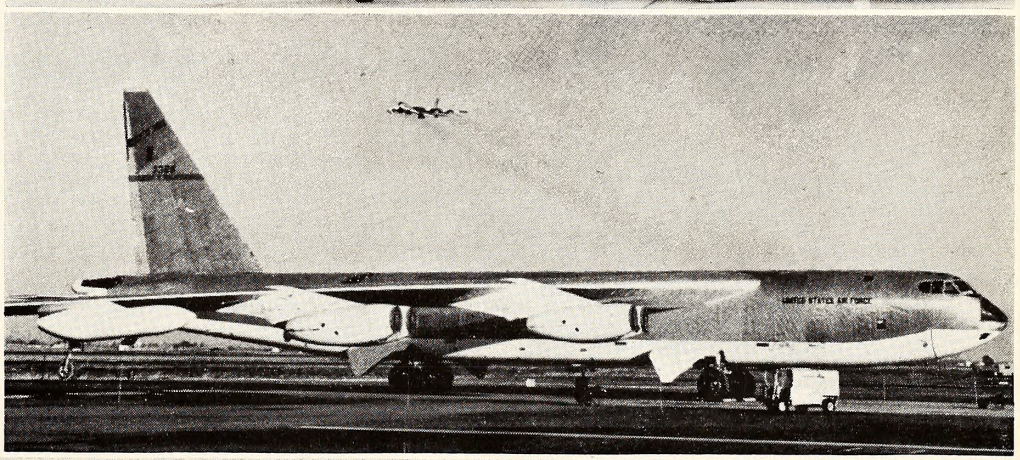
Since July, 1960, over $1.5 million has een spent for improvements and new onstruction at Seymour Johnson, and t is expected that a similar amount of noney will be expended for the same urposes by July, 1962.

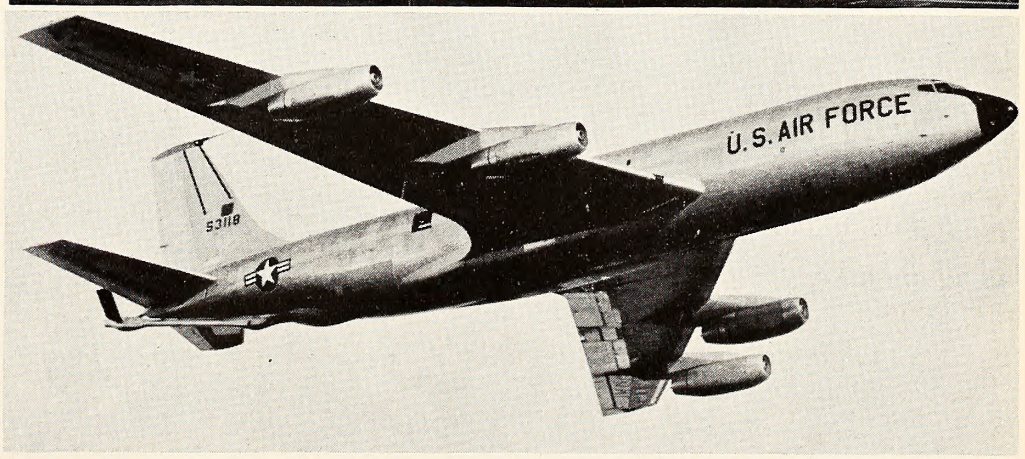
Actually, the economic value of Sey-nour Johnson to Goldsboro and Wayne County is almost unestimatable. But nost important, a fine spirit of coopera-ion exists between the military person-el stationed at Seymour Johnson and ivilians of the area, and it will continue o exist as both military and civilian actions join forces that ultimately serve he defense program of our country.

The units of the three major com-nands located here have such a variety f missions that the casual observer night well wonder how the support ele-nents of the base are able to accomodate he complexities of each command's mis-ion. The answer, again, is cooperation. All commanders work in such close armony that the base epitomizes effici-nt Air Force operation.

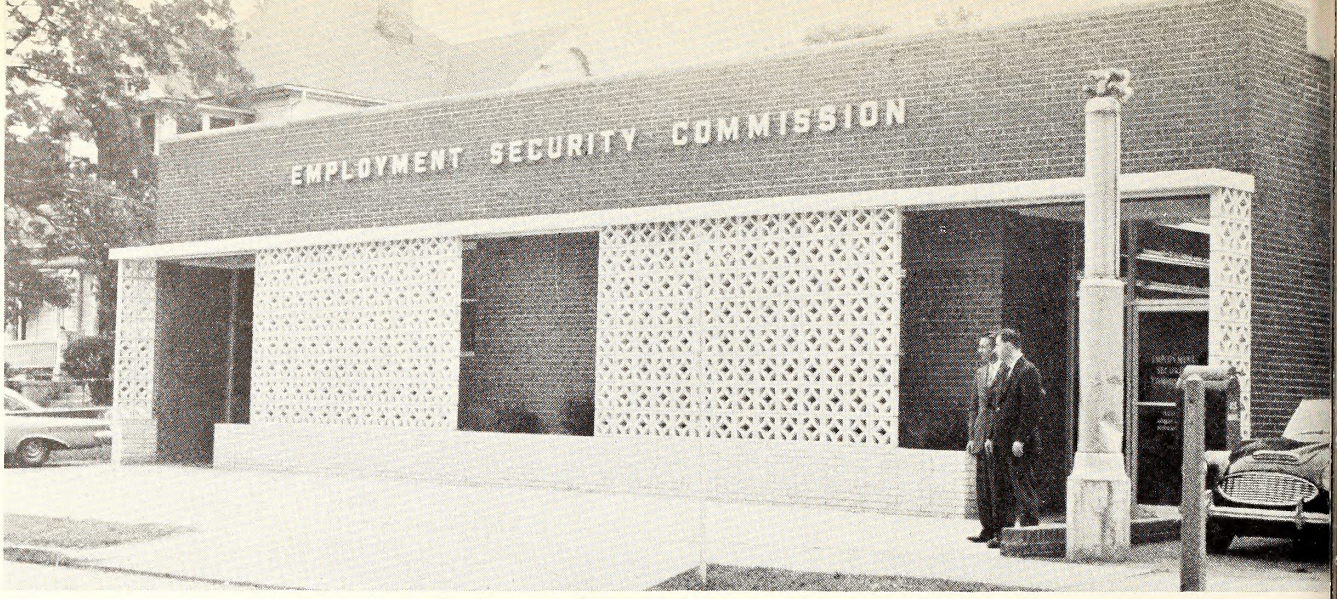
Incidentally, Seymour Johnson Air orce Base has another somewhat uni-ue distinction. It was named for a aval flyer!







Here are the four most important aircraft assigned to Seymour Johnson AFB (Top to Bottom): The F-105 "mach-two" fighter-bomber of the TAC; the ADC's F-102 supersonic fighter; and the Strategic Air Command's giant B-52 intercontinental bomber and it KC-135 jet tanker. The B-52 and KC-135 represent over $11.5 million. Aircraft inventory at the base exceeds $415.1 million with $23.3 million spent in annual maintenance. The Nation has a formidable operation at Seymour Johnson AF base.



The new Durham local ESC Office, now at N. Mangum St.

FORMAL OPENING

UI Director Fuller Martin, Commissioner M. Van Hecke, of Chapel Hill, and Commission Chairman Henry E. Kendall (L to R) traveled to Durham to celebrate manager Louis Berini's recent formal opening.

Enjoying refreshments are (L to R): Fuller Martin, Durham County Manager E. S. Swindell, Area Supervisor Phil Bunn, Mrs. Alma Moore, and Manager Berini. Also at the opening was Durham's major, E. J. Evans. He said he was not only impressed with the quality of the building but also with the quality of the personnel. "We are really grateful for such a find facility in our community," he added.

During the Summer and Fall, six local offices of the Employment Security Commission moved into new quarters. On July 1, the Asheboro office officially began operations at 328 Sunset Avenue. On August 9, the local office in Jacksonville moved to 822 New Bridge Street and on the following day in Wilmington the local office opened at 717 Market Street. Following these two eastern open-house occasions, Morganton formally opened on August 31 at 107 S. King Street; Durham on September 14 at 510 N. Mangum Street; and Spray on October 19 at Stadium Drive.

In every instance, these moves were from outmoded quarters to buildings well designed to offer employment counseling, services to young people, services to the handicapped worker, older workers, employer relations, testing and claim taking.

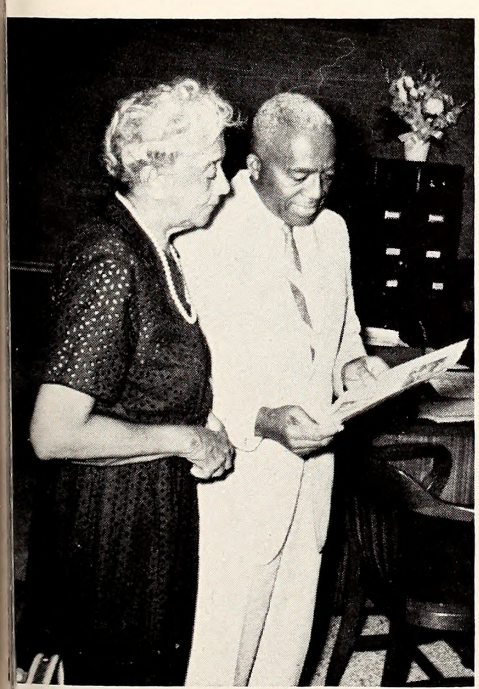
There are approximately 640 persons employed in the 65 local and divisional ESC offices about North Carolina. They are located in 54 towns and cities, and in addition to home-town facilities serve almost 90 itinerate points. An itinerate point is a town or community which receives employment and claims taking services from representatives of nearby ESC offices, and are served once, twice, or more times each week. Following a regularly scheduled itinerary these representatives work in court houses or other municipal-provided buildings, and offer practically every service which is available through local offices.

Each week, the local offices take claims for unemployment benefits that average about 27,000 check payments under the regular state UI program. In addition, about 500 checks are written to pay unemployment benefits under the UCFE program; about 800 under the UCX program; and about 8,500 under the Temporary Extended Benefit (TEC) program each week.

he ESC local office in Jacksonville held open house on August 9, 1961. Now located at 822 New Bridge Street, the local office aff welcomed visitors until late afternoon. Striking a happy pase on opening day are (L to R): Area Supervisor Phil Pollack, Bill rmons, Thora Morris, Bill Underseth, Manager Duke Amerson, Debora Stone, Joe Price, Bill McNeill, and Dwight Leonard. The fice was designed for easy expansion in case more floor space is needed in the future. Jacksanville's mayor, Bob Page, visited e new office, compared the ald and the new, and welcomed the ESC participation in "the fastest growing cammunity in Narth arolina." Chairman Henry Kendall, ES Directar Joe Beach, and other officials from the central office in Raleigh attended the pen house.

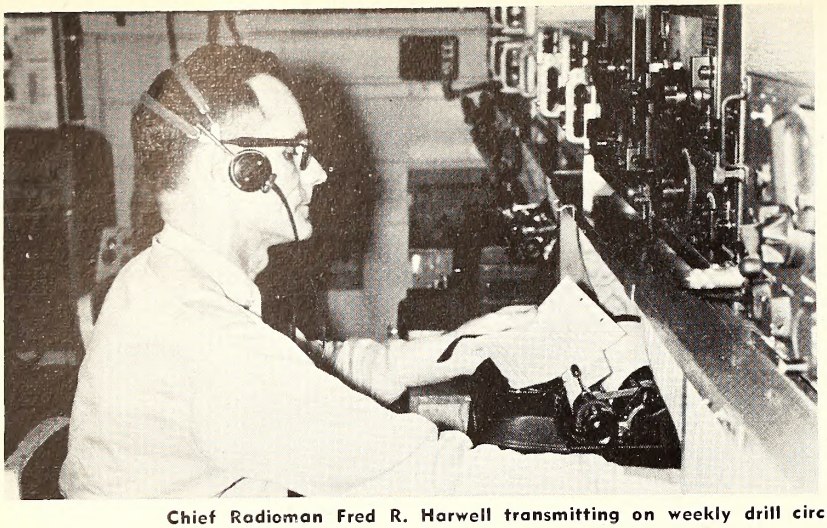
Among the classifications of personnel ttached to ESC local offices are inter- iewers, employment counselors, steno- aphers, clerks, veterans employment epresentatives, managers, and claims eputies.

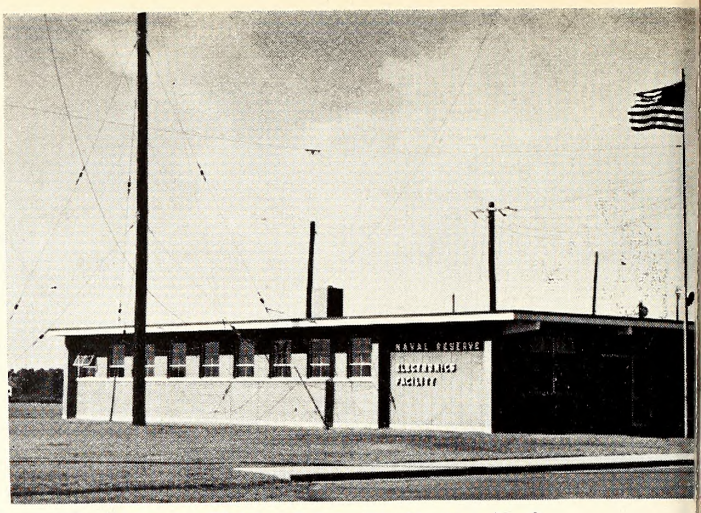
Formal opening days are important ideed, for the local manager and his staff—and the area supervisor. For as local offices continue to increase their services, and as services become more far reaching, they are an attribute to the community because they are involved in the progress of the community.



ending the September 14 open house at the v Durham local office was Mrs. Bessie Gilmer, t interviewer in the divisional office. Retired v, she chats with interviewer Benjamin Rogers er a newspaper clipping of the first ESC office Durham. Both Rogers and Mrs. Gilmer came h the Employment Security Commission in 1935.

Major Amo F. Judd, 2nd Marine Division, Camp Lejeune, calls on Duke Amerson during the Jacksonville opening to pay the Marine Corps' respects. With Major Judd are Phil Pollock (Center), Amerson, and Jacksonville's mayor, Bob Page. Lt. Col. Jack Dunn, Executive Officer at the MCAF, New River, also dropped by during the day. Military-civilian cooperation is well regarded in Jacksonville.





Chief Radioman Fred R. Harwell transmitting on weekly drill circuit at NR Electronics Division 5-4 in Washington, N. C.

FIFTH NAVAL DISTRICT IN NORFOLK COMMANDS EASTERN RESERVE UNI

Close by the banks of the Pamlico River in historic "Little Washington" is the Fifth Naval District's only North Carolina Naval Reserve pay division, Naval Reserve Electronics Division 5-4.

By way of explanation, the Fifth Naval District in North Carolina consists only of the Northeast portion, running from the Virginia line as far south as Jacksonville, N. C. and as far west as Murfreesboro. The bulk of North Carolina is under the Navy military control of the Sixth Naval District with headquarters in Charleston, S. C.

A Naval Reserve Electronics Division is a unit of the "Selected Reserve" of the United States Navy. That means that members of this unit are trained and have been pre-selected to fill mobilization assignments with the Navy Seapower Team immediately upon the outset of war or other national emergency declared by Congress. An electronics division specializes in training only the operational communications ratings of the Navy, which include electronics technicians, radiomen, radarmen and signalmen.

Highly technical training is conducted in these fields at the Naval Reserve Electronics Facility, Washington, N. C. which houses Electronics Division 5-4.

The Naval Reserve Electronics Facility in Washington is a building completed approximately two years ago. This $86,000 structure contains all of the best equipment the Navy has made available for Naval Reserve training. Modern, spacious classrooms and shops afford the Reservists the best possible environment in which to work. The facility is manned by one active duty Petty Officer in Charge, Chief Electronics Technician James L. Sowder. Chief Sowder is well equipped to handle this assignment as he has been associated with Naval Reserve training for over seventeen years.

Authorized division membership is six officers and 53 enlisted men. The division currently has three officers attached and a full enlisted allowance. Divisions are authorized to exceed their enlisted allowances, however, in order to insure a national manning level necessary to fill mobilization requirements.

Members are recruited from the best of the young male population of Washington and surrounding communities. Rigid mental and physical examinations are a prerequisite to enlistment because of the field of training conducted at this unit. Upon enlistment these young men drill at the facility each Monday evening for a period of three hours. A full day's pay is given for each night's attendance. Basic training of the new recruits is conducted at the facility and upon their first advancement these seamen apprentices are immediately enrolled in technical training for one of the aforementioned ratings. In addition, the Reservist performs two-weeks active duty for training annually. The first two-week period is spent at the Navy's Recruit Training Command in Great Lakes, Illinois. Following that the member performs his active duty for training on an operating ship of the Navy and then becomes eligible for attendance at one of the Navy's top technical schools. Some members are permitted to attend the full-time Navy schools which vary in length from 16 weeks to 39 weeks, and upon graduation are returned to their Reserve unit.

Each member incurs a two-year active duty obligation upon enlistment to fulfill his selective service requirements. However, membership in the Reserve unit in Washington permits the young man to advance two or more rungs on the Navy advancement ladder *before* he reports for active duty, thereby making it possible for him to earn more while fulfilling his obligation and to be a candidate for further Navy schooling while on active duty. Upon completion of his active duty the Washington Division is ready to accept him back in the program for further training (or in many instances these returning veterans are utilized as instructors in the program) and qualification for additional advancement.

Naval Reserve training has undergon many refinements during the past de cade, and it is now so polished tha maximum training benefits are achieve at all Naval Reserve training facilitie One of these refinements is a nation competition whereby all similar uni compete with each other on a point basi The winning unit is awarded a suitab trophy and key members of the divisio are given the opportunity to cruise i the Mediterranean with the Navy Sixth Fleet for a three-week perio during the summer.

Such things as attendance, active du for training, examination scores, inspe tion scores and unit strength are cor petition factors. The competition based on many factors which when co sidered collectively, all add to the accor plishment of the mission, which i Training U. S. Naval Reservists f mobilization.

A licensed amateur radio station maintained at the Washington facilit and during several hours of the nc famous Hurricane DONNA, Chi Sowder's amateur station provided t only communications between Washin ton and the surrounding area. T Washington facility has an emergen communication plan that is capable coordinating all radio amateurs duri emergency periods. Members of the vision are encouraged to become licens amateur radio operators and to use t local radio equipment as often as th time permits.

During the weekly drill periods t main radio room is used for a radio dr circuit which is controlled by a mas control station at the Naval Base Norfolk, Virginia.

Whether the young man desires tra ing in radio, radar, electronics or visu signal communications, or he desi training as a Reserve Officer Candida (ROC), the Naval Reserve of "Lit Washington" can fulfill this desire unc officers and petty officers with prov leadership ability. Part of the Navy S power Team is your neighbor and friend indeed.

U. S. COAST GUARD AIR FACILITY OPERATES OUT OF ELIZABETH CITY

Eastern Carolina Base Is 2nd Largest Industrial Unit in U.S.C.G. System

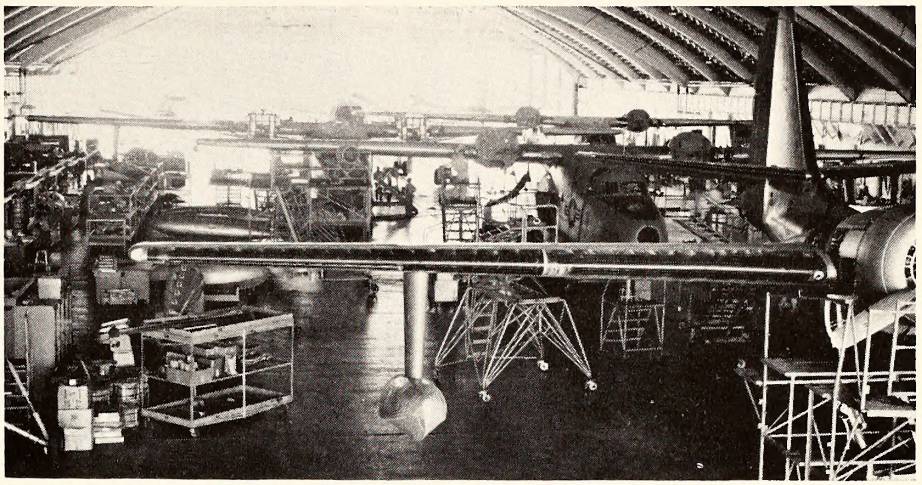
When first commissioned on January , 1947, the Coast Guard Aircraft Repair and Supply Base, Elizabeth City, N. C., had a complement of 10 officers nd 63 enlisted men. Today its working ersonnel consists of 194 military and 79 civil service workers.

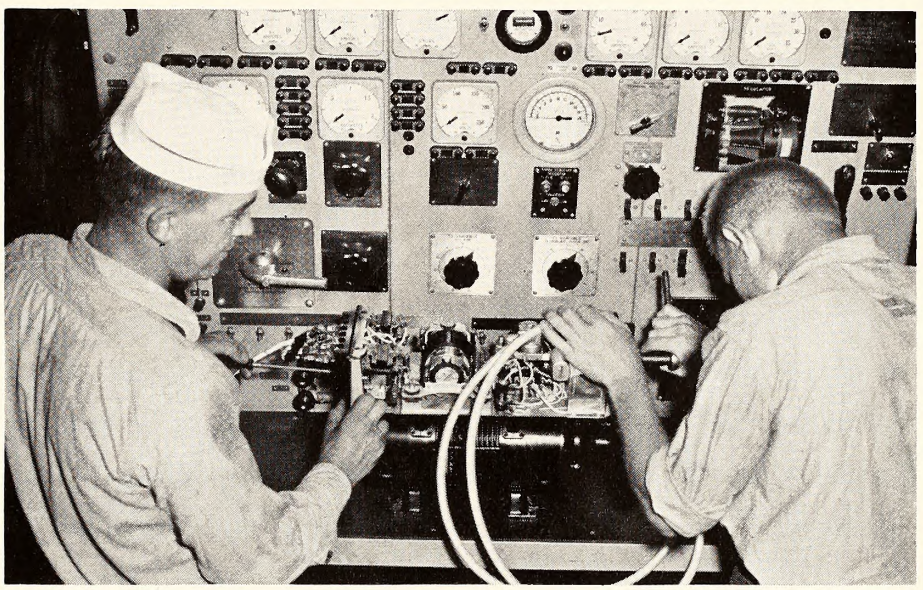
With an annual payroll of approximately $4,400,000, it is the second largest industrial base in the Coast Guard. Mission of the base is to provide aircraft overhaul, repair, modification, and upply services to the Coast Guard's 21 viation units which are located in the tlantic, Pacific, and Continental United tates areas. A training school for aviation mechanics is also operated at this ctivity.

Long Time Aviator

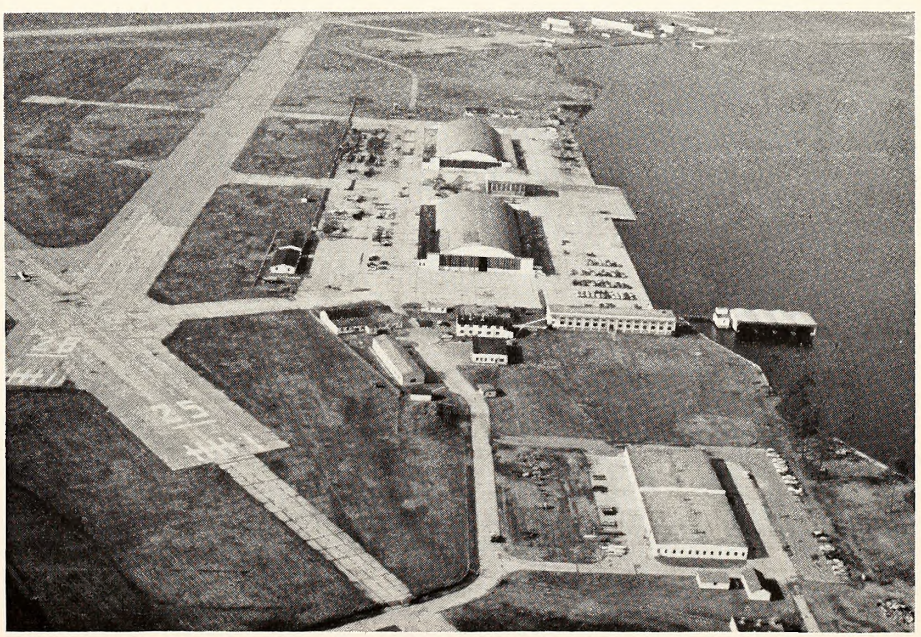
Commanding Officer of the USCG Aircraft Repair and Supply Base, Elizabeth ity, is Captain Thomas F. Epley, SCG. Assigned as CO in August, 1959,

aptain Epley previously served at R&SB as engineering officer and executive officer. A native of Kentucky, he tended Kentucky State Teachers College and received his BBA degree from e University of Miami, Coral Gables, lorida. He graduated from the Coast uard Academy, class of '36, and from aval aviation flight training in 1940. aptain Epley also attended aviation aintenance school at Chanute Air orce base in 1948. The father of two ns and a daughter, the Coast Guard ase CO makes his home in Elizabeth ty. His eldest son is a first classman the U. S. Naval Academy.





Coast Guard twin-engine aircraft undergo overhall and maintenance in hanger No. 1. With primary duties as patrol and rescue, this equipment must not have operational failures. Electrician mates check and repair units in the Base Accessory Overhaul Department. Below is an aerial view of the Aircraft Repair and Supply Base with the Air Station in the background. This base is equipped to repair, modify, overhaul, and supply services to the Coast Guard's 21 aviation units in the U. S., Atlantic, and Pacific, and is one of the most important units in the Coast Guard organization. Facilities at the Elizabeth City station are so complete that pesonnel can practically rebuild aircraft, and after 14 years in operation its payroll now is approximately $4.4 million annually. About 470 military and civilian personnel man the east coast unit.



Gov. Sanford Names Seabrook, O'Connor New Commissioners

Governor Sonford (center) stonds with officials of the ESC as they take their ooth of office. Sworn in by Associote Justice E. B. Denny of the State Supreme Court in the Senate Chambers of the Capitol are (L to R): Thomas B. O'Connor, Forest City; Colonel Henry E. Kendall, ESC Chairman; Dr. M. Van Hecke, Chapel Hill; and Dr. Jomes W. Seabrook, Fayetteville.

Governor Terry Sanford has appointed two new commissioners to serve as members of the North Carolina Employment Security Commission. They are Thomas B. O'Connor of Forest City, N. C., and Dr. James W. Seabrook (see page 40), retired president of Fayetteville State Teachers College in Fayetteville, N. C. The assignments were made in July.

O'Connor and Seabrook will serve four-year terms. They join Dr. Maurice Van Hecke, Chapel Hill; R. Dave Hall, Belmont; W. Benton Pipkin, Reidsville; and Bruce E. Davis, Charlotte, as Commission members.

Prior to his appointment, Dr. Seabrook served as a member of the ESC Advisory Council for several years and he is the first Negro appointee to serve with the Employment Security Commission.

O'Connor is general manager and comptroller of Laurel Mills, Inc., a fabric plan in Rutherfordton, N. C. Originally from New Jersey, he moved to North Carolina in 1949. (A feature story on Mr. O'Connor will appear in a forthcoming edition)

Friends, fellow commissioners, and ESC personnel filled the Senate Chambers at the State Capitol for the appointment announcements. Governor Sanford read the citations and Associate Justice E. B. Denny of the State Supreme Court administered the oath.

The Governor also reappointed Colonel Henry E. Kendall as Commission Chairman and Dr. Van Hecke to an additional term. With the appointment, Colonel Kendall moves into his fifth assignment as the ESC Chairman, having been appointed by Governor R. Gregg Cherry to fill the unexpired term of Colonel A. L. Fletcher in 1946. Kendall was subsequently appointed by governors W. Kerr Scott, William B. Umstead, and Luther H. Hodges.

From Shelby, N. C., Colonel Kendall was employed with the N. C. State School Commission before joining the ESC, and worked for an exporting firm in Shanghai, China, during the early '30's. He received his Army commission in 1942 and increased in rank to lieutenant colonel. He received his ESC appointment after release from active duty.

Dr. Van Hecke originally became a member of the Commission in Augus 1957, upon appointment by Governo Hodges. A Professor of Law at the Un versity of North Carolina, Dr. Va Hecke is a Wisconsin native who cam to the University in 1928. He served a Dean of the UNC Law School fro 1931 to 1941. During WW II, Dr. Va Hecke served as a member of the U. Board of Legal Examiners, and as Chai man of the Fourth Region, Manpowe War Labor Board. In 1950-51 he wa Chairman of the President's Commissio on Migratory Labor.

A long-time educator, Dr. Van Hec has taught at the universities of Chicag Michigan, Minnesota, Northwester Texas and Wisconsin, Louisiana Sta and Yale. He has practiced law in Ch cago and served as a member of t Illinois Legislative Reference Bureau

First meeting of the commissioners after the new oppointments brought together Dr. Seabrook, Colonel Kendoll, and O'Connor (front row, L to R). Serving current terms ore (bock row, L to R) W. Benton Pipkin, Reidsville; R. Dave Holl, Belmont; Bruce E. Davis, Chorlotte; and the reoppointed Dr. Von Hecke.

Charlotte VER Named To Federal Post By Secretary Goldberg

A 17-year employee of the N. C. E ployment Security Commission has r ceived a federal appointment from U. Secretary of Labor, Arthur J. Goldbe

S. Marvin Burton, Veterans Emplo ment Representative at the local E office in Charlotte since the mid '40 took the oath in Raleigh as Assista State Veterans Employment Repres tative for the Veterans Employment S vice of Washington, D. C. Burton to the oath in November after learning his appointment by telegram from Go berg's office.

He was sworn in by his new bo R. C. Godwin, State Veterans Emplo ment Representative for North Carol

n the office of Commission Chairman Henry E. Kendall. And there was standng room only, as many well-wishers ammed the office to congratulate Burton n his new assignment.

Burton steps into a demanding job. According to placement figures, veteran mployment in the state during the past iscal year involved over 26,000 new job pplications and the placement of over 0,000.

Making his office in Raleigh, Burton vill travel extensively about the state o assure effective employment counselng and job placement of veterans, proote job opportunities and provide job nformation for veterans.

"Burton comes well qualified," comented Chairman Kendall. "He recently eld the state commandership of the merican Legion, and has been interestd in veterans' affairs."

Godwin pointed out that Burton fills vacancy that had existed since June 0.

"And he was top man of over 100 pplicants who filed for the job. We've nown Marvin for some time and are ware of his very fine work with vetrans through the Charlotte office."

In addition to his affiliation with the merican Legion, Burton has served as hairman of the State Employees Asociation for a 13-county district, served n the Mecklenburg County Employ the hysically Handicapped Committee, and as been active in many civic functions.

Although a federal employee, he will ork through the public employment ofces of the Employment Security Comission. His work will be closely aligned ith the employment service personnel f the Commission headed by ES Direcor Joseph W. Beach. "The working reations between the VER and the emloyment offices has always been close," xplained Beach, "and we welcome Burn to the central office."

Toking their turn as ESC representotives at the N. C. Trade Foir are (L to R): Ben Johnson, ES Division; Ted Whitley, UI Division; and Hugh Roper, Directar of the Emplayment Security Research Bureou. With over 300 exhibitors, the partially completed Merchandise Mart was a beehive of activity during the weeks preceding the Trode Foir.

ESC EXHIBITS AT FIRST N. C. TRADE FAIR

The Employment Security Commission, along with several other state agencies, exhibited at the N. C. Trade Fair, October 12-21. The 30-ft. booth on the first floor of Charlotte's Merchandise Mart contained visual displays and literature on the Commission's claims taking and employment service activities.

Manning the booth during the 10-day exposition were members from the UI and ES Divisions in the central office of Raleigh who, with the help of local Charlotte ESC office people, constructed the display and had it looking sharp for the official one o'clock opening on October 12.

Sponsored by the State's Department of Conservation and Development, the Trade Fair assembled over 300 exhibitors—manufacturers, distributors, and other representatives of North Carolina's industry, trade and government. Open to both buyers and the general public, the Trade Fair drew an estimated 146,000 spectators, including opening-day appearances by Governor Sanford and Luther Hodges, U. S. Secretary of Labor.

Ben Johnson and Tom Adams, Employment Service Division; Earl Brad-

—See ESC EXHIBITS, Page 89—

rton (left) receives a handshoke and congrotulotions om R. C. Godwin ofter Burton hod token the ooth os e new Assistont State VER. Burton will work out of e Roleigh centrol office.

Burton, Godwin, ond Colonel Paul H. Griffith (L to R) pose for picture taking ofter the sweoring-in ceremony in Chairman Kendoll's affice. On hond to offer congratulotions, Col. Griffith was Secretory of Defense under the Truman Administratian and past National Commander of the Americon Legion.

FIELD AUDIT

—Continued from page 58—

reported wages, and over $388,400 in over-reported wages.

The tax auditor is not merely an accountant, he is also a consultant. His purpose is not confined to collecting additional taxes but to educate the employer and to win his cooperation. As consultant, he will answer questions regarding the workings of the Commission and try to clear up any problems that may be confusing to the employer. He must, therefore, be well informed as to the standards, procedures, laws, regulations and forms being used by the Commission. He must be accurate in giving the employer information and be able to substantiate his statements. If he is not sure of any matter discussed, he should tell the employer that he will obtain the answer rather than give an incomplete or incorrect statement.

The tax auditor is also a "salesman" for the Commission. As such he must be courteous. He must know that with very few exceptions employers wish to conform to the Employment Security Law, understand it and its requirements. For many employers, the tax auditor will be the first personal contact they have had with the Employment Security Commission in regard to their payroll taxes. Therefore, it is important that the contact be favorable. The employer may question some claims that have been charged against his account, and again the tax auditor can be of great service to the tax payer by explaining the provisions of the law whereby the employer can protect his account against certain charges.

The employer will usually question his tax rate that has been assigned for that particular year. If the employer's tax rate has been increased, the tax auditor will explain why. He will also explain the provisions of the Law whereby the employer can make volunteer contributions to his account and the effect these contributions will have upon his assigned tax rate. In many audits it was discovered that the employer failed to make the proper deduction of wages in excess of $3,000 which is not taxable. In other words, the first $3000 earned by each covered employee is subject to the payroll tax. Any amount of wages over $3000 is not taxable and the employer who pays taxes on the excess is due a refund by the Commission. The employer may elect to keep this refund in his reserve account with the Commission or it may be returned to the employer.

If the employer, through lack of knowledge or error, omits an employee from his payroll for whom contributions should have been paid, the tax auditor will point this out, explaining the omission.

If the employer takes exception with the finding of the audit and wishes to protest the assessment, the tax auditor will explain the employer's right of protest and inform him that he should protest direct to the Commission when a debit memorandum is received on any disputed item. A hearing will be scheduled, usually at the employer's hometown location, between the Commission's Legal Department and the employer or his representatives. The employer is notified of the date, and he appears at the hearing or may have his attorney represent his case. The tax auditor also appears at the hearing.

Information gained at the hearing is presented to the Chairman of the Employment Security Commission for an opinion. Again, the employer has the right to protest the opinion when it is rendered.

We have had many employers tell us that the tax auditors have greatly assisted their companies in clarifying the Employment Security Law as it pertains to liable employers. This has been true even in cases where an assessment was made for additional taxes.

Thus, the tax audit program is beneficial to the Commission—and to the employers in North Carolina.

AMENDMENTS

—Continued from page 5—

viduals involved therein and unemployed thereby continue to be disqualified from receiving benefits. The new provision insures that the Employment Security Commission remain neutral in labor disputes.

Right Of Appeal

Heretofore, the Commission could not appeal from judgments of the Superior Courts in the cases involving benefit rights of claimants. This was true even though the Commission is a trustee of the benefit fund from which payments to claimants must be made and is charged with the duty of making payments from the fund in accordance with the provisions of the Employment Security Law. The Commission now has that right of appeal under the authority given it by the 1961 General Assembly.

The 1960 amendments to the Federal Unemployment Tax Account extended coverage effective January 1, 1962, to certain federal instrumentalities and nonprofit organizations and to some workers performing services in connection with American aircraft overseas. Since any contributions paid under the Employment Security Law of this state may be credited against taxes payable under the Federal Unemployment Tax Act, it necessarily followed that legislation should be enacted to adapt our Law to the federal changes. This was acomplished.

Rules Change For Employers

The conditions of termination of employers was changed in two ways. An employer automatically terminates after two calendar years if, during such time, he has not had any individuals in employment. The time for such terminations was reduced from five years to two years by the General Assembly.

A successor employer heretofore could terminate his coverage if he made application for termination within 60 days from the date of acquiring the business of the predecessor. In order to do so it had to be shown that the predecessor had been entitled to terminate but had failed to make the necessary application to do so. These provisions were changed to permit the successor to make the application for termination within 60 days of the date that the Commission notifies him of his liability as a successor.

The Law provides that when an employer acquires a business of another, the two units may be looked upon as a single unit for the purposes of determining liability under the Act in the year of acquisition. No such provision existed previously covering those cases in which the successor acquires only a part of the predecessor's business. The Act was changed to provide that when an identifiable part of a business is acquired, the records of the predecessor and the successor shall be considered together in arriving at liability under the Law.

Generally, the new legislation which was enacted by the General Assembly of 1961 has been received favorably throughout the state. It is felt that the legislation will meet the purpose for which it was passed: To promote and improve the Employment Security Program in this state, to provide a further step towards adequate benefits under the program, and at the same time insure that reasonable safeguards be maintained to prevent the receipt of benefits by individuals who are not genuinely attached to the labor force.

CHANGING TIMES

—Continued from page 39—

sion, to certain industrial services which are regularly involved in employer relations activities at the local level.

A one-week training course in Services to Special Applicant Groups, including physically handicapped, prison releasees, and older workers was held. In this training, 11 persons received instruction in specialized interviewing and placement techniques.

A one-week training course was held for 11 employment counselors and interviewers engaged in employment counseling. This program was designed to present the fundamentals of employment counseling and to acquaint the trainee with their role in the improvement program.

The expansion in staff facilities, and training referred to above is only a part of a continuing effort to improve Employment Service operations in North Carolina. Achieving the proposed improvements will require extraordinary effort on the part of Employment Security personnel at both the state and local level. Only by continuing cooperation can the Employment Service realize its full capabilities and render the type of service required to meet the demands of North Carolina's dynamic economy.

UNC ROTC

—Continued from page 62—

eceive full pay and allowances commensurate with their rank. Upon graduation from medical school they may pply for internship at a naval hospital vith the rank and pay of Lieutenant unior Grade and upon completion of heir intern work, they are promoted to he rank of Lieutenant and serve on ctive duty in the Navy as a Medical Officer.

One of the most important programs dministered by the NROTC Unit is he Naval Enlisted Scientific Education Program on both the campus of the Uniersity at Chapel Hill and N. C. State College at Raleigh. Under this program ighly qualified and selected naval enisted personnel are ordered to these ampuses for four years to study for a accalaureate degree. Presently, there re 22 students assigned to UNC and 1 assigned to N. C. State. While atending these institutions, NESEP stulents receive their regular pay and llowances and the Navy provides their uition and fees and required books and aterials. This has been a most successul program in terms of performance by he students so enrolled. The overall verage of these students has been in he academic grade "B" area with numrous students receiving awards for their cademic performance. One student who raduated in June, 1961, was elected a hi Beta Kappa. College graduates at his program are offered a commission n the U. S. Navy.

The Naval Reserve Officers Corps Unit t the University of North Carolina repesents a small portion of the United tates Navy's effort to raise the level f education of its career personnel and provide a source of capable and otivated career officers for the future f the Naval Service. It has commisioned officers from all walks of life ho have received and obtained a basic nderstanding of the Navy and its part n world affairs. By their efforts, the nited States Navy will be capable of arrying out its combat mission if called pon by world events.

SECTOR COMMAND

—Continued from page 60—

fficers and enlisted men are making heir homes in North Carolina. Their etired pay is a boost to the state's conomy.

Although the total figures for all acvities is not available, the N. C. Sector ommand and its reserve personnel one are a great boon. The Command's ayroll for research personnel is $2,-8,256 annually. Payroll for active duty rmy personnel is $663,295, and for vilian Civil Service employees, $431,-8. Telephone services and toll charges r the Sector Command totals approxiately $12,100 and janitorial services, one, for leased and government-owned rmy Reserve facilities costs $43,200 nually.

In North Carolina there are 49 Army Reserve training facilities, including outdoor training sites and an airport facility at Charlotte. Fourteen are government-owned and 35 are leased at an annual rental of $127,968. An Army Reserve Training Center is presently under construction at High Point. Travel and per-diem cost for active Army and reserve personnel totals approximately $11,000 each year, not including the cost of Army reservists on two weeks summer field training.

This means an annual recurring total of over $3.5 million into the state's economy by the Army Reserve program above the original construction costs for government-owned facilities.

"The Army Reserve program is working well in the state," says an official of the Sector Command. "The military and civilian personnel assigned here accomplish an excellent job of assisting the state's citizen-soldiers of the Army Reserve to be prepared to take his or her place beside the hard core elements of the active Army whenever the need may arise."

BRAGG

—Continued from page 11—

schools provide 104 classrooms. Additional classrooms have been located in temporary buildings until more facilities are available. Currently under construction is a new 28-room school for the seventh and eighth grades. Students in the ninth grades through twelfth grades attend the Fayetteville high schools.

An intensive program for all military personnel lacking in basic education is conducted at the Army Education Center on post. For those desiring more advanced education, night classes in accredited college courses are available four times a week with instructors from the University of North Carolina, North Carolina State and East Carolina College.

Religious Activities

Fort Bragg has the largest military religious center in the United States. It includes 13 buildings and has all of the facilities necessary for religious teaching. In addition, there are 24 chapels operating on the post and six on standby for summer reserve training. Fort Bragg has an average of 34 chaplains assigned who conduct religious services of all denominations. Many Fort Bragg residents participate in religious activities of churches in Fayetteville and other neighboring cities.

Community Relations

Fort Bragg's impact on Fayetteville and other surrounding cities has been great, particularly since World War II. This impact is accompanied by an increasing understanding and cooperation between civilian and military officials.

The Fayetteville Chamber of Commerce maintains a Military Affairs Committee to work with Fort Bragg officials in a myriad of situations of mutual interest. In addition, an Army Advisory Committee, composed of civilian and military representatives, was formed several years ago to iron out problems and foster better understanding for both servicemen and local citizens. An Army representative is a member of every civic-service club in Fayetteville.

Through these agencies and in hundreds of other ways the Army strives constantly to contribute to the religious life, health, welfare, and happiness of the joint community.

AUSLEY

—Continued from page 45—

tobacco was bringing in Canada last year?"

"I believe the man told me when I was back up there that his crop before brought him 56¢ on an average."

"Big farmers up there, Knox?"

"Well, yes. The least one I know of there is 22 acres, and from that, 57 and on up."

"About how many people will work his farm, Knox, from down in this area?"

"Well, from down in this area there will probably be six."

"I understand that the people here like to go to Canada. There certainly are a lot recruited from this area every year. It's been going on for quite a while."

"Yes, there are quite a few that go, and quite a few that get homesick and come back. I guess they leave their wife at home, or their sweetheart, or something and just take a notion to come back."

"You told me a minute ago that you used to farm tobacco yourself?"

"That's right. I've farmed practically all my life. I started in tobacco in 1919 and I've been in it ever since. I have a wife and ten kids and they've all got off except my two baby ones, so I just decided to quit and work carpenter work all together now."

"When you go to Canada, do you take your family with you?"

"Yes, I do."

"I guess they like the trip."

"Oh, yes."

"How far is it up there? How long does it take you to drive it?"

"It'll take me, with ordinarily driving if my wife is along, about 28 hours. But if she's not along I can do a little better!"

ESC EXHIBITS

—Continued from page 87—

ley, Dave Garrison, and Hugh Raper, Employment Security Research Bureau; and Hugh Ogburn and Ted Whitley, Unemployment Insurance Division, were the men who alternately manned the ESC booth. The ESC representation featured an employment service display, a flashing-light map of North Carolina exhibiting the 54 ESC offices, and illustrations of ESC studies on labor.

AIR ROTC

—Continued from page 64—

drill team, the drum and bugle corps—all of them presenting outstanding performances in a number of events. The drill team has won honors in the state and in national competition at Washington, D. C., and has also received congressional recognition for its "Marchathon" during the annual March of Dimes Campaign.

All air science courses are offered in sequence, and all advanced AFROTC cadets are under contract to the United States Government to complete a prescribed number of hours before graduation and commissioning. This includes drill as well as classroom instruction. Academic grades of "C" or better are required, also, as well as complying with all other standards set up by East Carolina College.

Outstanding achievement has been noted in the Flight Instruction Program, required of senior cadets who are classified as pilot trainees. Private pilot instruction of 36½ flying hours in small aircraft, for the purpose of determining a cadet's flying capability and fitness, was first offered in 1958-59, and again in 1959-60.

Serving as professors of air science and leading the AFROTC program at East Carolina College since its inauguration in 1948 have been:

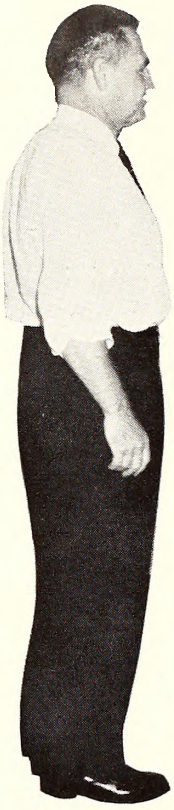
Lt. Col. William D. Brown, 1948-1950; Major Lomax L. May, 1950-1952; Col. Roger G. Fuller, 1952-1954; Lt. Col. Lewis J. Partridge, 1954-1957; Lt. Col. Edward J. Maloney, 1957-1959; Lt. Col. Norman F. Merritt, Jr., 1959. There have been commissioned and non-commissioned officers on assignment to the detachment who have served tours of duty, including in their activity instruction and lectures on all phases of the Air Force operations. Many of them have elected to use their "spare" time in learning and acquiring graduate degrees while on assignment at the College.

NAVY RESERVE

—Continued from page 74—

As a result of the deep interest shown by North Carolinians in their Navy, the U. S. Government now owns nearly $3 million in Naval training facilities throughout the state. In addition, property, land, and buildings are leased at an annual cost of $131,500.

Courage and a readiness to fight have remained prominent in the makeup of North Carolinians ever since the days of the Naval hero, John Paul Jones. The Naval Reserve Training Centers in North Carolina provide opportunity for patriots to serve their country as trained Naval Reservists in peace and ready to man the ships in the event the nation's security is threatened by war.



Ted Davis

EDITORS CHANGE, NAMES THE SAME—Ted Davis (left) resigned recently as editor of the ESC QUARTERLY and PIO for the Employment Security Commission and was replaced by Ted Davis (right). This caused some confusion. The two un-lookalikes with the same name had never met before several months ago, although they had been taking each other's phone calls for years.

They have initials. The one on the left is T. B., and on the right, H. E. But try to explain this over long distance. There are other differences. One Ted Davis is a grandfather—the other just feels like a grandfather. One is skinny, and the other fa. . .ah, stout.

Widely known for his public relations work and after a very fine job as PIO for the Commission, Ted is continuing his public speaking and publicity talents for a private company. Ted was assistant director of Advertising and Public Relations for the Farmers Cooperative Exchange. Ted was on the radio, while Ted was making ads. I mean the one on the left was making . . . no. The one on the right was not editor. You see, Ted couldn't be editor because he was . . . making ads?

Let's go all the way back to the start.

Ted Davis

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N. C. State ROTC .....
Pope Air Force Base .....
Prison Release Program .....
Richard Smith, State IAPES President .....
Separation Center .....
Seymour Johnson Air Force Base .....
Tenny Engineering Company .....
UI Benefit Financing .....
U.N.C. NROTC .....
U.S.C.G. in Elizabeth City .....
Washington Reserve Unit .....
Why Investigate Me? .....

PUBLICATIONS OF EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

(FORMERLY "UNEMPLOYMENT COMPENSATION COMMISSION OF NORTH CAROLINA")

Biennial Reports, 1936-1938; 1938-1940; 1940-1942; 1942-1944; 1944-1946; 1946-1948; 1948-1950; 1950-1952; 1952-1954; 1954-1956; 1956-1958; 1958-1960.

Employment Security News (mimeographed)—weekly, started in 1936 by the North Carolina State Employment Service. Not issued during Calendar year 1945.

North Carolina Employment Security Information, Volume I, Numbers 1-12, 1941. (Discontinued.)

The U. C. C. Quarterly

Vol. 1, Nos. 1, 2, 3, 4 (1942-43)
Vol. 2, Nos. 1, 2, 3 (1944) (No. 4 not issued)
Index to Vols. 1 and 2 (1942-44)
Vol. 3, Nos. 1-2, 3, 4 (1945)
Vol. 4, Nos. 1-2, 3, 4 (1946)
Index to Vols. 3 and 4 (1945-46)
(Included in Vol. 5, No. 2-3)

The E. S. C. Quarterly (Name changed April 1, 1947)

Vol. 5—No. 1, Winter, 1947—Granite, Marble, Stone
No. 2-3, Spring-Summer, 1947—Brick, Tile, Pipe, Pottery
No. 4, Fall, 1947—Rural Industries

Vol. 6—No. 1, Winter, 1948—Pulp, Paper, Paper Products
No. 2-3, Spring-Summer, 1948—Dairy Products
No. 4, Fall, 1948—Insurance
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Vol. 7—No. 1, Winter, 1949—Banking
No. 2, Spring, 1949—Fertilizer Manufacturing
No. 3-4, Summer-Fall, 1949—Trade Wholesale-Retail

Vol. 8—No. 1-2, Winter-Spring, 1950—Hotels, Restaurants
No. 3-4, Summer-Fall, 1950—Milling: Flour, Feed, Meal
Index to Vols. 7 and 8, 1949-50, in Vol. 9, No. 1-2

Vol. 9—No. 1-2, Winter-Spring, 1951—Newspapers, Printing
No. 3-4, Summer-Fall, 1951—Tobacco Manufacturing

Vol. 10—No. 1-2, Winter-Spring, 1952—Furniture Manufacturing
No. 3-4, Summer-Fall, 1952—Textile Manufacturing

Vol. 11—No. 1-2, Winter-Spring, 1953—Hosiery Manufacturing
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Vol. 16—No. 1-2, Winter-Spring, 1958—Chemical Industry
No. 3-4, Summer-Fall, 1958—Chambers of Commerce

Vol. 17—No. 1-2, Winter-Spring, 1959—Apparel Industry
No. 3-4, Summer-Fall, 1959—Farming

Vol. 18—No. 1-2, Winter-Spring, 1960—Tobacco
No. 3-4, Summer-Fall, 1960—Furniture Industry

Vol. 19—No. 1-2, Winter-Spring, 1961—Financial Institutions
No. 3-4, Summer-Fall, 1961—Military Organization

POSTERS:

Employer's Certificate of Coverage and Notice to Workers.
Notice to Workers as to Benefit Rights While on Vacation.

RELEASES OF THE BUREAU OF EMPLOYMENT SECURITY RESEARCH

Current Series

"Trends"—A monthly 6-page mimeographed activity report first issued 1943. Data for period 1938-1943 found in other series now out-of-print. Year 1960 and 1961 available.

"Employment and Wages in Covered Employment by County"—A quarterly mimeographed 4-page release giving employment and wage data for insured employment for each county for five broad industry groups. Only 1960 and 1961 available.

"Insured Employment and Total Wages in North Carolina"—An annual report for calendar years issued in two parts as follows:

1. Summary data for State by two-digit industry and employment and wages by county. Mimeographed, 26 pages and available.
2. County data by three-digit industry. 1943 and subsequent years. Mimeographed, 170 pages.

"Experience Rating in North Carolina"—An annual study of the experience rating plan and its operation. First release in 1946. Years since 1950 available. Mimeographed, 20 pages.

"Labor Resources in North Carolina for Industrial Development"—A bi-monthly release showing estimates of available labor by county. Mimeographed, 3 pages.

Labor Turnover in Manufacturing Industries—Monthly

Labor Market Newsletter—An employment security office release showing labor market conditions in office area. Only current releases available. Released as follows:

1. Bi-monthly for Asheville, Charlotte, Durham, Greensboro, High Point, Raleigh, and Winston-Salem, and Fayetteville.
2. In October, February and June for Burlington, Gastonia, Lexington, Reidsville-Spray, Statesville, and Wilmington.

"Annual Report of Employment Service Division"—A mimeographed released dealing with activity summary data by office. Primarily used for evaluation purposes.

Special Reports and Studies

The Cost of Unemployment Insurance in North Carolina 1936-1955—A study of long range unemployment benefit financing and fund solvency. Released in December 1956. Available. The supply of the 1961 restudy is out-of-print.

Study of Wage Rates for Selected Occupations in Major Manufacturing Industries—November 1961.

Fringe Benefit Plans in Selected North Carolina Manufacturing Industries—March, 1959. Out-of-print. New study in July 1962.

Wage Survey of Weekly Wage Scales for Selected Occupations—Limited primarily to jobs found in State Government and also in industry—mimeographed—June 1960.

"A Study of Claimants Exhausting Benefits Under the Unemployment Insurance Program during calendar year 1957.

Analysis of Hires and Placements in Two Areas. Mimeographed, 60 pages.

Employer Forecast of Future Labor Requirements—A study considering the real value of these forecasts. Mimeographed, 30 pages.

Employment Security Law as amended (1961).
Rules and Regulations, amended 1961.

CIRCULARS AND FOLDERS:

Employer Experience Rating in North Carolina.
Information for Workers and Identification Booklet.
Information for Interstate Claimants.
Unemployment Insurance in North Carolina.
Explanation of Benefit Non-Charging Provisions.

Employment Security Mail
United States Postage Account
For Under Act of Congress

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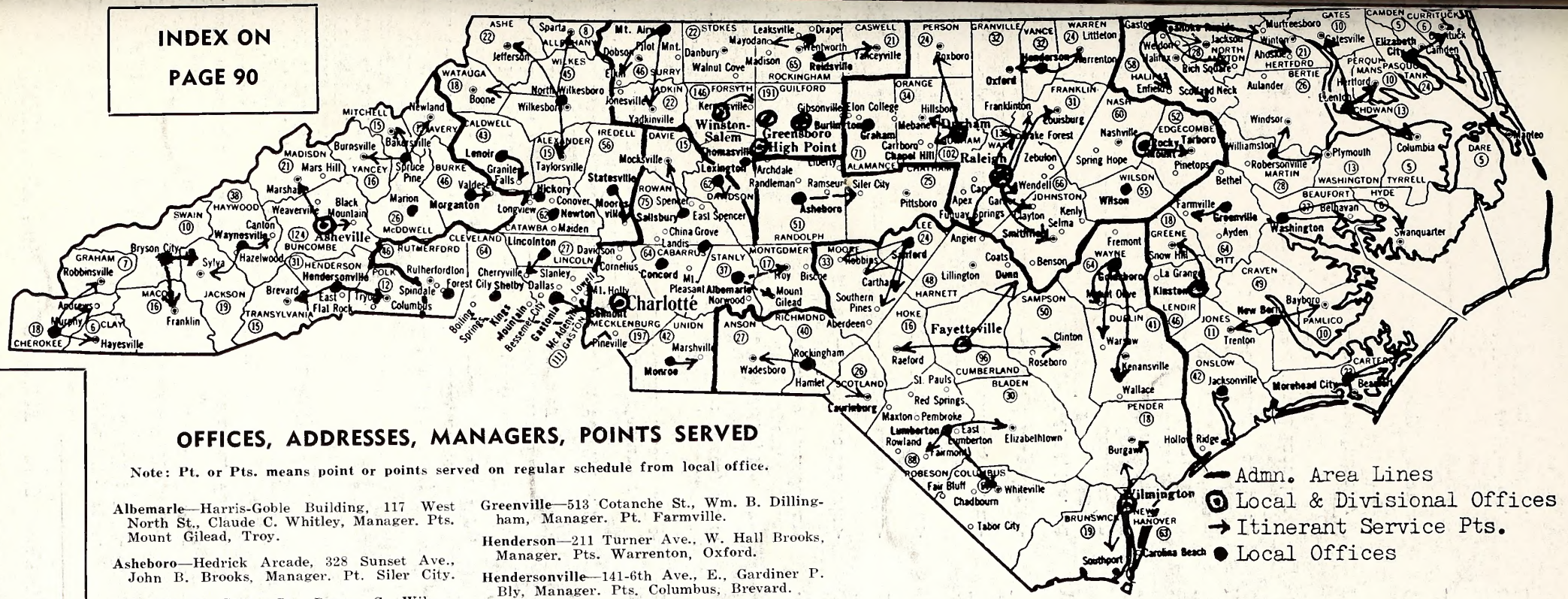

OFFICES, ADDRESSES, MANAGERS, POINTS SERVED

Note: Pt. or Pts. means point or points served on regular schedule from local office.

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Bryson City—Hyatt Building, Everett Street, Simon P. Davis, Manager. Pts. Franklin, Cherokee.

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Mount Airy—Fuller Bldg., 222 Franklin St., Carl M. Baber, Manager. Pts. Elkin, Yadkinville.

Murphy—Garrett Bldg., Willow St., Jack A. Wilson, Manager. Pts. Andrews, Hayesville, Robbinsville

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Wilmington—717 Market St., William H. Powell, Manager. Divisional Office Employment Security Bldg., 717 Market St., Pts. Burgaw, Southport.

Wilson—Farris Bldg., 303 E. Nash St., Mrs. Jeannette M. Grainger, Manager.

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THE ESC QUARTERLY

VOLUME 20, NO. 1-2

WINTER-SPRING, 1962

N. C. EMPLOYMENT SECURITY COMMISSION

Cover Legend On Page Two

College Edition

Complete Index On Page 86

CHAIRMAN'S COMMENTS

KENDALL

HENRY E. KENDALL, *Chairman*
Employment Security Commission

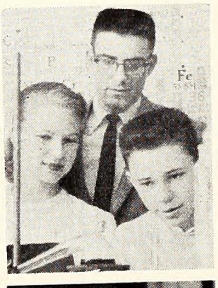
Most every issue of the ESC QUARTERLY presents the accomplishments of a certain segment of North Carolina's industry and its contribution to our state's economy and employment rolls. This issue of the magazine, however, has a different theme: Education's contribution to employment and the aspirations involved in job placement.

Each year our college and high school graduating classes supplement the Tar Heel labor force with thousands of skilled and trained craftsmen and professional young people, and an extreme view of our educational processes might possibly classify the system as in industry with talent its chief commodity. But it is not our attempt to impersonalize education. Writing each North Carolina college, both private and public institutions, we asked: "Where do your graduates go?" As officials replied it became obvious that college graduates in North Carolina fare pretty well in job opportunities and salaries, but it became equally obvious from other sources that the unskilled and untrained person does not.

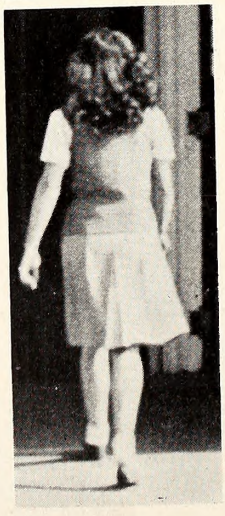
This dilemma of under-employment and unemployment provides comment from people aware of the training needs of student dropouts, a surprisingly high number of young people who enter the State's labor market each year without benefit of a high school diploma and with little hope other than meager employment. A distinguished educator reports on page 22 that 118,000 Negro and white youths entered the first grade in North Carolina in 1949. Of this group only 50,180 graduated from high school 12 years later and only 18,500 entered college. And it is estimated that only five percent of this original class of first-graders will complete senior colleges!

North Carolina industry points its finger squarely at future employee requirements as you will learn in the manpower survey article on the opposite page. The first ever attempted by actual personal interview, the manpower study required over nine months of research and indicates our employers' growing need for both gray and white-collar specialists. It appears that education may bridge the gap between unskilled applicant and job placement, in addition to the efforts of State government (page seven), Federal enactments (page 11), and private enterprise (page 16).

Pictured on the right is a student instructor. The photo is certainly gratifying because the concentration reflected by the two youngsters exemplifies education, and the college section, featuring articles on the majority of North Carolina institutions, begins on page 26.



As she strides into a local office of the Employment Security Commission, the young lady's style (bottom photo) is unmistakenly from the mid-forties. Taken from a larger photograph, the cut is used to illustrate changing times, because appearing in this edition are photographs of how some ESC offices looked 20 years ago and how they look today (page 54).



Timely as the harvest it reaps, however, is farm labor. In a story of annual recruitment which involves 150,000 hired farm workers in our State, farm laborers speak for themselves beginning on page 77. How do employers use the services of the ESC? Read "Employer Relations" and the story of two recently completed job classifications studies made by Commission occupational analysts. An official of the U. S. Department of Labor recently informed a group of ESC personnel that the development of manpower resources is the key to national survival, and he emphasized the importance of the U. S. Employment Service to our nation's people. The Employment Security Commission of North Carolina is affiliated with the USES, and published here are some of its activities and the way it serves the people of the Tar Heel state.

The E. S. C. Quarterly

(Formerly The U.C.C. Quarterly)

Volume 20, No. 1-2 Winter-Spring, 1962

Issued at Raleigh, N. C., by the

EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

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Cover Legend

State educational agencies have initiated a system af indus education courses in North Carolina, and the State Curricu Study, under the directarship af Dr. I. E. Ready, will use the manpawer survey as a basis ta determine future curriculum n in vacational educatian. Earlier in the year, the Gavernar's C mission an Educatian Beyond the High Schaal met with Dr. R and leading educatars and State afficials ta discuss topics p nent ta Narth Carolina's educational needs. Results of manpawer survey were presented to this graup by ESC Super af Reparts and Analysis, James French. The cover photag depicts the group with Dr. Ready as moderator.

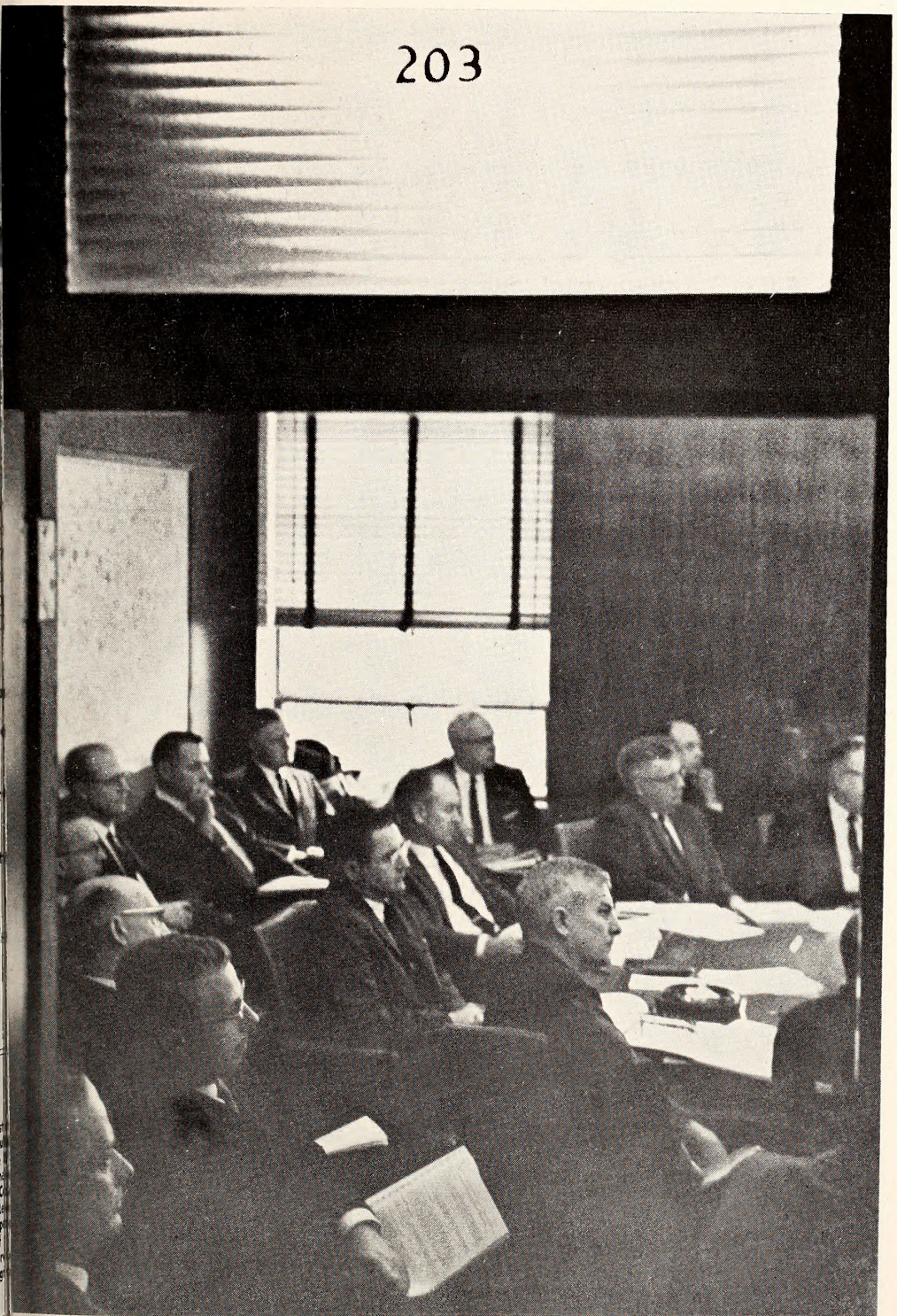
INDEX APPEARS ON PAGE 86

MANPOWER SURVEY

JAMES FRENCH

Supervisor, Reports and Analysis, Bureau of Employment Security Research

The North Carolina study of Skilled and Technical Manpower Requirements was undertaken in recognition of a general labor force deficiency in the State, as well as the Nation, in the supply of workers qualified for employment in expanding fields of technology and in highly skilled occupations. There is no shortage, however, of available, capable, and potentially productive manpower in North Carolina. The state's unique wealth in human resources has been singled out by management officials of numerous new and recently expanded firms as being the one factor which has contributed most to North Carolina's successful acceleration of industrial development and economic growth.



nked by companion educators, Dr. William Friday (center, glasses), President of the Consolidated iversity, listens to the manpower report given to the Committee on Education Beyond the High hool. Duke University's President, Dr. Deryl Hart, also attended the recent meeting in Raleigh.

Still, it is recognized that among those workers who comprise this vast reservoir of available manpower, there are skill shortages and there are too few people who are trained to help engineers and scientists transform theories and ideas into new and improved processes and products. This is the assignment of the TECHNICIAN.

The term "technician" is difficult to define because it covers such a wide variety of duties and payroll titles which frequently differ from one industry to another and between individual firms engaged in identical industrial activities. Methods and procedures developed for this survey were, therefore, especially designed to facilitate identification of all possible semi-professional occupations which are of a technical nature. The technician is more briefly described as one who assists, or works in support of, engineers, scientists or other individuals who hold positions generally recognized as professional.

Talent Being Wasted?

In recent years there has been much concern and emphasis on the urgent demand for more trained scientists and engineers. Without doubt, striking a balance in the supply and demand for professional workers would eliminate a critical deterrent to this country's economic growth and national defense efforts. However, there is another impending void in the labor force of tomorrow which could be equally as critical. There is growing concern that engineering and scientific talent is being wasted in lower level routine work which could be performed by a trained technician if such workers were available in greater numbers. Because several technicians are frequently required to support the work of a single professional worker, labor force requirements for technicians must be compounded as the supply and demand increases for engineers and scientists.

The Employment Security Commission engaged in this research (manpower study) to learn more about future technical manpower requirements for most major industries in North Carolina. Industrial growth, automation, and technological advances are influences which are giving birth to countless new job opportunities in emerging fields of work. As a result, occupational patterns of industry are changing. In recent years, such changes have placed the technician in a labor force position of greater prominence.

At the same time, fields of training and experience acquired by many workers over the years are often rendered obsolete when out-moded machines and processes are discarded and production

techniques modernized. The situation is paradoxical. In many areas there are surpluses of labor and unemployed people who lack the necessary qualifications for obtaining gainful employment. On the other hand, labor shortages and job vacancies exist because of the lack of workers trained in many critical occupations.

Many-Pronged Attack

In North Carolina the problems of imbalance between the supply of workers who are in need of suitable employment and the demand by industry for suitable workers, is being attacked from all directions. An ambitious statewide program has long been under way to qualify available individuals for occupations in which the greatest opportunities and needs are anticipated. This program is predicated not only on the fact that people who possess aptitudes for mathematics and the applied sciences and who enjoy new and challenging work are vitally needed. We also believe that all people are entitled to every opportunity to develop and utilize individual capabilities to the fullest personal advantage.

Therefore, it has been recognized in North Carolina that higher standards must be set for basic education and for all levels of learning. It is further recognized that vocational-technical education must be a necessary extension of traditional elementary and secondary schooling if, for many individuals, a satisfying livelihood is to result.

Vocational training and retraining of workers in needed industrial skills and fields of technology is not believed to be the sole responsibility of industry, because the state acknowledges a responsibility for the well-being of all citizens.

A Challenge

We face an ever increasing challenge to keep our manpower abreast of the demand. This challenge is being met to the limit of available resources and abilities. Note the establishment of 20 new or proposed Industrial Education Centers located throughout the State. North Carolina Industrial Education Centers are playing an important role in preparing qualified "Tar Heels" to work confidently in modern industry. To youth and adults alike, the Centers make available well equipped and up-to-date laboratories, shops, and classrooms, and offer well-planned curricula in technical and skilled fields of vocational education.

The Employment Security Commission became involved in this study of manpower resources in cooperation with state agencies concerned with educational program development. The North Carolina State Board of Education requested appropriate labor market information to serve as a basis for expanding vocational education facilities and for planning curricula which will be consistent with the stated needs of industry. This started the ESC on the search for a statewide measure of future occupational requirements.

Director of the N. C. Deportment of Curriculum Study ond Research under the stote Boord of Education, Dr. I. E. Reody, discusses the monpower survey before members of the Committee on Education Beyond the High School. The study indicotes future occupotionol requirements for industry

Instead of conducting an independent area skill survey, a statewide approach was used in this Study to best provide information which would facilitate central curriculum planning for all strategically located Industrial Education Centers. The North Carolina Curriculum Study Commission seeks to coordinate individual training programs which are offered in separate geographical areas. Such coordination is desirable so that programs offered in selected education centers will be consistent with both statewide and local training needs. Area concentration of current and anticipated employment, by industry division, will be shown in the report for six designated areas of the state. Total occupational requirements for North Carolina, in each industry division studied, are also included as a part of the study. A comparison between (1) industry concentration by area and (2) training requirement by industry, form a basis for evaluating and coordinating training programs offered collectively through the 20 Industrial Education Centers. Thus appropriate training can be planned in labor surplus areas to augment the supply elsewhere of workers in shortage occupations. Such planning is based on the belief that workers trained in a field of work are more apt to be mobile than are those who lack needed skills.

Extent of Study

To best determine industry's futur manpower requirements, Employmen Security Commission Labor Market An alysts personally interviewed manage ment representatives in a sample o more than 1,220 establishments repre senting 24 of North Carolina's most im portant industries. More than 99 pe cent of the sample firms selected an contacted agreed to devote the necessar time required to furnish the very d tailed information which was requeste We believe this high participation rate be a strong indication that employe interviewed were vitally interested the significance of this study, and in th future success of North Carolina indu trial education programs.

Preparing doto on the manpower survey ore Jomes French (right) who presented survey results to e Governor's Committee, ond Preston Johnson, Reseorch Anolyst with the Employment Security Commiss The survey required nine months to conduct personal interviews with over 1200 Tor Heel employ

MINIMUM EDUCATION AND EXPERIENCE HIRING REQUIREMENTS BY TECHNICIAN OCCUPATION

Responses of Sampled Employers

Occupation Titles	Number of Sampled Firms Reporting	PER CENT DISTRIBUTION OF REQUIREMENTS									
		High School Graduate		Vocational School (Post-High-School)		Some College		College Graduate		Education Requirement Not Established	
		Total	With Experience	Total	With Experience	Total	With Experience	Total	With Experience	Total	With Experience
Total for all Technicians	3,219	28.3%	15.5%	44.9%	15.0%	16.3%	9.9%	6.7%	2.8%	3.8%	2.8%
Air-Condition & Refrig. Tech.	34	26.5	23.6	53.0	26.5	8.8	8.8	2.9	2.9	8.8	8.8
Building Inspector	53	56.6	56.6	28.3	18.9	9.4	7.5	—	—	5.7	5.7
Chemist Assistant	186	33.3	11.8	48.9	7.5	10.3	2.2	5.3	0.5	2.2	1.1
Civil & Const. Technician	116	19.0	17.3	45.7	15.5	21.6	13.8	6.8	3.4	6.9	6.9
Clerical Technician	116	39.6	6.0	30.2	14.7	21.6	10.4	6.9	1.7	1.7	—
Cloth Designer	22	18.2	13.6	45.5	18.2	9.1	9.1	27.2	13.6	—	—
Cloth Tester	7	71.4	57.1	28.6	—	—	—	—	—	—	—
Cloth Tester, Quality	22	45.5	18.2	54.5	13.6	—	—	—	—	—	—
Clothes Designer	10	10.0	50.0	30.0	—	—	20.0	—	20.0	20.0	20.0
Commercial Artist	73	28.8	15.1	43.8	24.6	10.9	8.2	1.4	1.4	15.1	11.0
Cost Technician	335	27.1	10.1	40.6	14.6	21.8	10.1	8.7	2.7	1.8	0.9
Die Designer	14	14.3	14.3	78.6	35.7	7.1	7.1	—	—	—	—
Draftsman, Electrical	59	22.1	11.9	66.9	13.5	8.5	3.4	1.7	1.7	1.7	1.7
Draftsman, Mechanical	159	19.5	10.7	62.9	19.5	13.8	9.4	1.9	0.6	1.9	0.6
Draftsman, Structural	87	27.5	10.3	48.2	10.3	19.6	11.5	3.5	2.3	1.2	1.2
Draftsman, Topographical	57	10.5	7.0	82.5	8.8	7.0	3.5	—	—	—	—
Electric Power Technician	50	32.0	28.0	46.0	14.0	14.0	14.0	4.0	4.0	4.0	4.0
Electronics Technician	69	11.7	4.4	81.2	29.0	1.4	1.4	1.4	—	4.3	2.9
Estimator (Manufacturing)	22	27.3	18.2	45.6	22.8	13.6	13.6	9.0	4.5	4.5	4.5
Estimator (Nonmanufacturing	152	26.3	17.1	43.4	23.0	17.1	14.5	9.8	3.9	3.4	2.6
Fingerprint Classifier	41	21.9	7.3	78.1	29.3	—	—	—	—	—	—
Fixture Designer	2	50.0	50.0	50.0	50.0	—	—	—	—	—	—
Furniture Designer	14	21.4	21.4	57.1	35.7	14.3	14.3	7.2	7.2	—	—
Grey-Goods Tester	14	57.2	42.9	21.4	17.1	14.3	—	—	—	7.1	—
Industrial Technician	137	22.0	11.0	36.5	8.0	21.9	13.9	16.7	8.7	2.9	2.9
Instructor of Trainees	43	35.0	23.3	30.2	25.6	18.6	14.0	9.2	4.6	7.0	7.0
Instrument Man	99	35.4	27.3	50.5	15.1	9.1	5.1	—	—	5.0	4.0
Laboratory Assistant	11	63.6	—	18.2	—	18.2	9.1	—	—	—	—
Lab. Asst. Metallurgical	10	20.0	20.0	40.0	10.0	40.0	20.0	—	—	—	—
Laboratory Tester, Cotton	58	48.2	17.2	36.2	6.9	1.7	1.7	5.2	—	8.7	5.2
Laboratory Tester, Food	36	30.5	19.4	41.7	5.6	19.4	11.1	5.6	—	2.8	—
Lab. Tester, Synthetic Fiber	13	61.6	30.8	38.4	—	—	—	—	—	—	—
Mathematics Technician	14	14.2	7.1	35.8	—	35.8	21.5	14.2	7.1	—	—
Mechanical Technician	60	30.0	21.7	41.6	18.3	10.0	6.7	11.7	—	6.7	6.7
Paint Tester	11	45.4	18.2	18.2	18.2	18.2	18.2	—	—	18.2	18.2
Paper Tester	10	60.0	20.0	10.0	—	10.0	—	—	—	20.0	—
Process-Description Writer	27	33.4	18.6	22.2	11.1	25.9	14.8	11.1	7.4	7.4	7.4
Production Planner	254	33.1	20.9	30.7	12.6	21.6	12.6	11.8	3.5	2.8	1.6
Programmer	74	13.6	9.5	55.4	23.0	23.0	14.9	5.4	5.4	2.6	1.3
Project Planner, Data Proc.	37	8.1	2.7	59.5	24.3	18.9	16.2	5.4	2.7	8.1	8.1
Quality Control Technician	108	26.8	11.1	39.9	13.0	23.2	13.0	6.4	1.8	3.7	2.8
Radio/TV Transmitting Tech.	52	15.4	11.5	80.8	23.1	1.9	1.9	—	—	1.9	—
Safety Technician	67	38.8	31.3	19.4	10.4	26.8	17.9	13.5	7.5	1.5	1.5
Sanitation Technician	13	69.2	46.1	7.7	—	15.4	15.4	—	—	7.7	7.7
Scientific Helper	13	—	—	53.8	7.7	15.4	—	23.1	7.7	7.7	7.7
Sheet-Metal Technician	16	31.2	31.2	18.8	—	50.0	50.0	—	—	—	—
Spec. Writer Elect. Devices	13	7.7	7.7	53.8	—	38.5	30.8	—	—	—	—
System Analyst	27	7.4	7.4	48.2	7.4	25.9	18.5	14.8	14.8	3.7	3.7
Tester	8	25.0	—	50.0	12.5	12.5	12.5	—	—	12.5	—
Time-Study Man	170	27.1	11.8	44.7	9.4	18.8	8.8	7.1	2.4	2.3	2.3
Tool Designer	30	13.3	13.3	63.3	50.0	6.7	6.7	13.4	6.7	3.3	3.3
Welding Technician	18	27.8	22.2	55.5	33.3	—	—	5.6	—	11.1	11.1
Writer Tech. Publications	14	—	—	42.9	14.3	35.7	35.7	21.4	21.4	—	—
X-Ray Tech., Industrial	6	33.4	16.7	33.3	—	16.7	16.7	—	—	16.6	16.6
Yarn Tester	56	55.4	28.6	25.0	1.8	3.6	1.8	—	—	16.0	7.1

This table translates into percentages the number of responses from sampled firms regarding minimum experience and educational requirements for hiring technicians. With respect to the total number of positions identified collectively by 1,221 establishments which were visited, completion of vocational school training at the post-high-school level was required to qualify persons for entry into about 45 percent of the technicians jobs reported; and nearly 68 percent of the positions required one or another form of education beyond the high school. Those occupations showing relatively high percentages of sampled firms requiring no more than high school graduation generally applied to industry-oriented technician jobs such as building inspector, cloth tester, paper tester, etc. The implication here is that on-the-job industrial training is more appropriate for technician work which is more characteristic of a particular industry.

Note that tool designers, radio/TV transmitting technicians, die designers, mechanical draftsmen, topographical draftsmen, and electronic technicians are high in the employer's desire for post-high-school education, indicating a definite need in these skills for vocational training. It also indicates that in preference to some college work and experience, employers place more emphasis on specialized training in these classifications.

Note that sanitary technicians, building inspectors, cloth testers, and fixture designers are high in the employer's desire for experience.

North Carolina Employment in June, 1961 and Additional Labor Requirements By June, 1963 and June, 1966 for Skilled Occupations

This table shows June, 1961 employment and numerical increases expected to result from expansion and attrition in 32 skilled occupations by June, 1963 and June, 1966. For the 32 skills listed in the table about 14,760 additional workers will need to be trained by June, 1963 and by June, 1966 this need will increase to approximately 29,560.

Nearly 70 per cent of total skilled worker requirements by the two target dates is represented by eight of the shortage jobs studied. One-half of the skills unfilled skilled jobs represented nearly one-third of the 6,606 workers expected to be added to payrolls by the two year target date as a result of expansion. This fact indicates that there are immediate needs for trained workers in many of the skills studied.

Shortage Jobs

Based on reports of sampled firms, an estimate of more than 2,100 vacancies existed at survey time in all firms encompassed by the study. This number of surveyed accounted for about 90 per cent of future worker requirements.

The sixteen skilled jobs which showed most critical needs for training are ranked below for the two target dates in order of greatest demand. Over 20,000 additional workers will be needed.

BY MID-JUNE, 1963

Rank	Title	Additional Workers Required
1.	Sheet-Metal Worker	1,624
2.	Electrician	1,462
3.	Machinist	1,422
4.	Upholsterer	1,362
5.	Carpenter	1,313
6.	Knitting-Machine Fixer	1,296
7.	Pipe-Steam Fitter	882
8.	Welder	835
	Total for eight skills	10,196
9.	Cabinetmaker	621
10.	Finisher, Furniture	465
11.	Diesel Mechanic	441
12.	Loom Fixer	367
13.	Air-Condition & Refrig. Mech.	346
14.	Truck Mechanic	322
15.	Printer	280
16.	Sewing-Machine Repairman	273
	Total for sixteen skills	13,311

BY MID-JUNE, 1966

Rank	Title	Additional Workers Required
1.	Carpenter	4,574
2.	Electrician	3,233
3.	Machinist	2,905
4.	Sheet-Metal Worker	2,290
5.	Knitting-Machine Fixer	2,222
6.	Upholsterer	2,170
7.	Pipe-Steam Fitter	1,788
8.	Welder	1,458
	Total for eight skills	20,640
9.	Cabinetmaker	922
10.	Loom Fixer	888
11.	Diesel Mechanic	840
12.	Finisher, Furniture	810
13.	Printer	626
14.	Air-Condition & Refrig. Mech.	616
15.	Truck Mechanic	616
16.	Sewing-Machine Repairman	503
	Total for sixteen skills	26,461

North Carolina Employment in June, 1961 and Additional Labor Requirements * By June, 1963 and June, 1966 for Technician Occupations

This table compares employment which existed in mid-June, 1961 with two and five-year projected labor requirement estimates of expansion and attrition by occupation titles and technology groups. Expansion requirements are combined with attrition and are shown here as total additional technician needs by June, 1963 and June, 1966.[1]

By June, 1963 a total of about 4,590 additional workers are expected to be needed in all 55 technical jobs studied; and more than 70 per cent of this need is accounted for in only 15 positions. Similarly, nearly 73 per cent of about 8,340 additional workers required in all technician positions by June, 1966, are needed in only 15 of the survey technical positions.

These 15 technician occupations, for which the greatest needs are apparent, are ranked for the two target dates in order of total statewide demand for additional workers, as follows:

BY MID-JUNE, 1963

Rank	Title	Additional Workers Required
1.	Chemist Assistant	483
2.	Estimator (Nonmfg.)	349
3.	Industrial Technician	290
4.	Cost Technician	280
5.	Draftsman, Mechanical	278
6.	Draftsman, Structural	266
7.	Production Planner	243
8.	Electronics Technician	166
9.	Clerical Technician	148
10.	Time-Study Man	143
11.	Draftsman, Electrical	140
12.	Radio/TV Transmitting Tech.	125
13.	Instrument Man	144
14.	Commercial Artist	110
15.	Civil & Construction Tech.	98
	Total for 15 Positions	3,233

BY MID-JUNE, 1966

Rank	Title	Additional Workers Required
1.	Chemist Assistant	870
2.	Production Planner	540
3.	Estimator (Nonmfg.)	540
4.	Cost Technician	529
5.	Industrial Technician	503
6.	Draftsman, Mechanical	495
7.	Draftsman, Structural	459
8.	Draftsman, Electrical	409
9.	Electronics Technician	350
10.	Clerical Technician	262
11.	Instrument Man	246
12.	Time-Study Man	226
13.	Commercial Artist	221
14.	Civil & Construction Tech.	220
15.	Radio/TV Transmitting Tech.	200
	Total for 15 Positions	6,070

It is interesting to note that production planner ranks second in order of demand by 1966, a rise from seventh place in the 1963 need. This is indicative of the fact that production planners are expected to figure more prominently in employers' longer range plans for expansion. By contrast, the demand is more immediate for estimators and industrial technicians since these occupations rank higher in the lineup for the earlier target date. The urgency in the need for training in technician occupations is demonstrated by the fact that inflated survey information indicated an immediate demand for about 575 technicians. These 575 vacancies represent a part of future expansion requirements shown in this table.

[1] Additional worker requirements are interpreted as the number of workers needed *in addition* to the number *employed* in June, 1961 who are expected to remain in the workforce by the target dates.

* Table III title will be revised in printed report to correspond with subject title.

INDUSTRIAL EDUCATION CENTERS . . . NORTH CAROLINA'S "VALUABLE EXTENSION OF ELEMENTARY AND SECONDARY EDUCATION."

By Tom Adams, *Plans, Methods, and Procedures Analyst, ESC, Raleigh*

In this age of missiles, satellites, electronic computers, synthetics and other amazing discoveries, North Carolina has taken a giant step to keep pace with this progress by establishing 20 Industrial Education Centers. Located at strategic points about the state, these centers have two main purposes—to provide technical know-how to young people entering the labor market and to meet training needs of employers. North Carolina has realized that the job of training labor is not altogether industry's responsibility.

The Industrial Education Centers were set up for skill and technical development of individuals. Although they greatly enhance the economic climate in the areas they serve, the primary purpose is development of human resources. The IEC program is a valuable extension of elementary and secondary education. IEC tuition is free. The only cost to students is for transportation, books and supplies. Most Centers begin classes at 7:30 a.m. and continue to 10:00 p.m. Evening classes are usually composed of adults already employed.

Industrial Education Centers were created by the North Carolina 1957 General Assembly. Funds are provided by the N. C. General Assembly and the National Defense Education Act of 1958. Buildings are financed by local communities. Title to all property is held by the State Board of Education. This enables the State to move equipment where it will offer the most service. North Carolina industries have demonstrated their interest in the program by donating over $150,000 in new equipment.

Schedule of Courses

Each Industrial Education Center is under the direct supervision of a director who is responsible to the local superintendent of schools and the Board of Education. The Center provides an advanced curriculum in trade and industrial subjects supplementary to the curriculum in the high school, but below the college level. Its specific functions are to offer instructions which prepare selected individuals for entrance into and progress in suitable wage-earning employment in trade and industrial pursuits. Typical courses and time required for completion are:

Air Condition and Refrigeration Technology	2 years
Automotive Technology	2 years
Chemical Technology	2 years
Engineering and Technical Secretary	2 years
Mechanical Technology	2½ years
Tool Design Technology	2 years
Data Processing	2 years
Textile Technology	2 years

The 20 Industrial Education Centers, of course, were not organized and opened simultaneously. The Employment Security Commission's local offices worked closely with the schools, even before they were opened. Prospective students were referred by the schools to the local offices for help in determining appropriate courses.

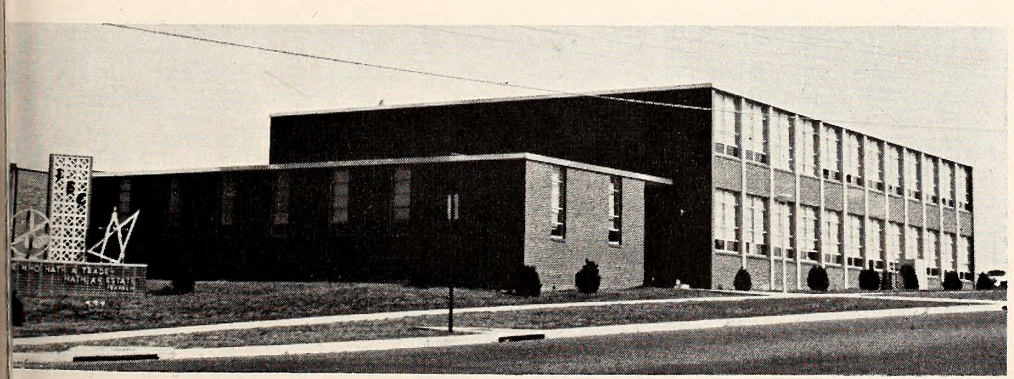
Early in the program, this formal cooperative agreement between the ESC and the N. C. State Board of Education was adopted:

COOPERATIVE AGREEMENT
Between
The Employment Security Commission
of North Carolina
and
The North Carolina State Board
of Education

Because of mutual interest in the economic and social welfare of the people of North Carolina to the end that the skill level of the State's abundant labor supply may be fully developed, and in keeping with the policy of the Governor and other State agencies, the Employment Security Commission of North Carolina and the North Carolina State Board of Education have entered into the following agreement for cooperation with North Carolina's Industrial Education Centers in the selection and placement of trainees of the Centers:

1. The State Board of Education, through the Division of Vocational Education, will purchase copies of *Part III of The Guide to The Use of The General Aptitude Test Battery* for each of the Centers. The Directors and Counselors of each Center will be trained in the interpretation and use of GATB scores in counseling by Employment Security Commission specialists.
2. Applicants for pre-employment training will be given the GATB by the Employment Security Commission and will complete the Employment Security Interest Check List and return it to the local Employment Security Commission office. Applicants whose GATB scores compare favorably with the information shown on the Interest Check List will be referred by the Employment Security Commission local office to the Center. Those applicants whose interests are not substantiated by GATB scores will receive counseling by the local Employment Security Commission office prior to referral to the Center.
3. GATB scores, the Interest Check List, and the nature of the counseling, if any, will be furnished the Center by the local office for each applicant.
4. Trainees, upon completion of their training at the Center, will be encouraged by the Department to return to their local Employment Security Commission offices and make application for employment.
5. Employers who make application to the Centers for graduate trainees will be encouraged to place orders for their needs with their local Employment Security Commission offices.
6. Should either the Employment Security Commission office or the Center receive from employers requests for graduate trainees and be unable to fill the request immediately, each will contact the other for assistance in filling the order.
7. The Employment Security Commission will assist the staff of the State Board of Education, as and if requested, in conducting area skill surveys to determine training needs in the application of occupational analysis techniques to determine the types of training needed for specific occupations or clusters of occupations.
8. This agreement is subject to change

(Continued)



BURLINGTON'S INDUSTRIAL EDUCATION CENTER

Students at the Burlington Industrial Education Center are instructed to become dental assistants. The class was temporarily set up in the chemistry lab. Primary purpose of the IEC is development of human resources.

Seven girls were enrolled in looper school at the Burlington IEC. Essential to the textile industry, loopers are high on the list of skills needed by textile groups. Most centers have classes from 7:30 a.m. to 10:00 p.m.

by the parties involved as needs for further mutual efforts are recognized for the successful selection and assignment of applicants for training and satisfactory placement of graduate trainees, or dissolution at the will of either agency.

Manpower Survey Taken

Members of the State Board of Education and officials of the Industrial Education Centers realized that the success of the Centers would depend largely on how well the curricula could meet the current and future technical training needs. In the summer of 1960, plans were made to conduct a study of technician training in North Carolina. One main purpose of this study was to determine the types of curricula needed in the state for the education of technicians and selected skilled craftsmen and where various curricula could most feasibly be offered. To do this effectively, a manpower survey was essential. (See page three)

The Employment Security Commission agreed to make a manpower survey which would serve the needs of both the study and the Commission. A grant from the U. S. Bureau of Employment Security made the survey possible. The Employment Security Commission became involved when educators asked, "In what areas of work will technically trained workers be needed most critically by the end of the next two and five years?"

The manpower survey undertaken was unusual in that it would be statewide. To isolate training needs, it was necessary to interview hundreds of employers in many industries. In undertaking a manpower survey of this type, the Employment Security Commission did not enter into an activity that was unrelated to its over-all program objectives. Although the ESC may be more directly concerned with placement of workers in jobs and the payment of unemployment insurance benefits, it is also interested in, and greatly affected by, the development of a North Carolina labor force which possesses the educational background, the training, and the skills which are needed to support a growing and changing economy.

The survey involved personal contacts and interviews with more than 1,200 industrial and business establishments across the state. These personal contacts were made by seven labor market analysts who were given special training for the assignment. These 1,300 sample firms employ 360,000 persons or roughly 60 per cent of all the workers in the industries studied. Practically all of the major manufacturing industries were covered, but only selected non-manufacturing industries which employ significant numbers of skilled or technical workers were included—construction, transportation, communications, and utilities.

The survey involved asking 1,300 firms to supply the analysts with considerable information concerning:

(1) The total number of employees in the establishment as of February 1961;
(2) A breakdown of this employment into age groups such as under 35, over 45, etc.; and
(3) Estimates of the total numbers of workers the firms expect to need two and five years hence. (These estimates were based on certain economic assumptions.)

This type of information not only was requested for the firm's total employees, but also obtained separately for all technical occupations and for selected skilled occupations. These skilled jobs consisted primarily of shortage occupations in North Carolina.

For each technical and applicable skilled occupation in a firm, information also was obtained about the number of existing job vacancies, the number of persons being trained by the firm to enter the occupation, and the number of trainees who will have completed the training within the next two and five years. For technician jobs only, the employer was asked to specify his minimum educational and work experience requirements.

The 1,300 interviews with employers have been completed. The analysts received outstanding cooperation from practically all of the employers contacted. The interviews were completed in less time than expected, and the data is now being processed. School officials are anxious to get the detailed results of the survey for they are confident that these findings will be highly effective in determining courses to be offered immediately as well as during the next five years.

The role of Employment Security in this activity of training and retraining of workers is not simply making a statistical manpower survey and then letting the educators take it from there. The Employment Security Commission must work closely with school officials to see that qualified students are properly channeled into training which ultimately will lead to better job opportunities and at the same time help relieve the occupational shortage. When finally summarized and published, the results of the survey will be a most welcome tool in the hands of ESC counselors and interviewers.

Employment Counseling

If the GATB results are in line and the interest check list indicates interest in the course of study, the individual is sent directly to the school. However, if the GATB scores and the interests indicated on the ICL are incompatible or if the GATB scores are too low, the prospective student is given employment counseling.

During the counseling process, the applicant may decide on another course at the Center or may make a decision for some other type of training elsewhere. In some instances, he may decide to forego any training for the time being and enter the labor market immediately. If the applicant decides to pursue his entrance into the Industrial Educati

—See IEC-ESC, Page 83—

IEC Program Will Use Manpower Survey To Estimate State-Wide Training Needs

By C. M. Hamilton, *Division of Trade and Industrial Education*

A population crescent is forming starting at Jacksonville and curving up through Kinston, Goldsboro, Raleigh, Durham, Greensboro, Statesville, and to Charlotte. Counties within this crescent have, for the most part, increased in population; counties outside the crescent have either stayed about the same or decreased in population during the past 10 years. About one-third of the 100 counties gained, one-third stayed the same, and one-third lost population. These facts have political, educational, social, and economic affects upon the State. We have a tendency to live closer together; thus, compounding some problems but at the same time permitting us to do some things educationally which have not been practical before.

Industrial expansion is necessary. In order for us to go beyond our present economic level of development, we must have further industrialization. It is not hard to understand the reasons for the keen competition that is currently being waged among the states and local communities across the country for America's present and future industrial expansion. One hundred new factory workers in a community mean 296 more people, 112 more households, $590,000 more personal income per year, $270,000 more bank deposits, and 107 more passenger car registrations, among other things. It is estimated direct wages turn over five times before leaving the community.

In this connection, Trade and Industrial Education has trained 1,288 people in the past six months for new or expanding industries. It is estimated that each factory employee generates $400 per year in taxes for the state. On this basis, more than a half-million dollars in taxes has been created at a total training cost of about $20,000.

School Dropouts

In 1948, 97,452 children entered the first grade in North Carolina—in 1960, 47 per cent of those children were graduated—53 per cent had dropped out. Approximately one-third of those graduating from high school go on to college. From those students entering college only about one-fourth graduate. Or to put it another way—approximately four per cent of the students who entered the first grade in 1948 will find themselves with a college degree in 1964. Is it evident that we have an educational problem yet unsolved?

Another educational fact we should know is that less than one-third of the engineering graduates from N. C. State College find employment in North Carolina. Of the 489 graduates in the 1960 class, 139 continued their education or went into military service, 350 accepted employment, but of this group only 133 were employed in North Carolina.

These two facts are evident:

1. That a great mass of young people are leaving school without the benefit of a high school education—which makes them less employable.
2. Competitive jobs in North Carolina are not available to N. C. State's engineering graduates.

Do not draw the conclusion that the emphasis upon college should be less—far be it—one of our strengths lies in the college programs. It needs more support.

Job opportunities will come for the engineering college graduate as North Carolina develops industrially. High school graduates will increase as students and parents see the need for a high school education. It is increasingly more essential for a young worker to have the foundation of a high school education. The need for the unskilled-uneducated workers has decreased while the need for the technically trained worker has increased.

Three Percent Unskilled Requirements

By 1975 it is estimated only three per cent of the new jobs on the labor market will be unskilled. For a long time there has been a recognized need for an improved program of industrial and technical education in North Carolina. If North Carolina is to continue to expand industrially, and even to hold its own in competition with other states, it is essential that workers be trained in the techniques and skills of modern industry. Engineers must have the support of trained technicians. At the same time, it is recognized that there are thousands of young people in North Carolina available to meet this need, but who are inadequately trained in technical skills to take advantage of this opportunity. With industry's growing demand for trained workers on one side and an ample reservoir of potentially skilled workers on the other, it has become imperative—and essential to the state's economy that some type of program be established. These potentially skilled people are, in effect, being denied a part in the economic growth taking place in North Carolina simply because up to now no adequate facilities have been made available to help them make the transition from potentially skilled to skilled. All our efforts to develop a balanced economy and bring greater prosperity to the citizens of the state will have gone for naught if we fail to supply the means by which our people can adjust to the changes.

The establishment of the Industrial Education Centers was initiated in 1956 when the State Board of Education requested that the Advisory Budget Commission allot two million dollars for the establishment of 18 industrial education centers. The 1957 General Assembly appropriated $500,000 and requested that further study be given to the matter.

From July, 1957, to March, 1958, the Board of Education, with assistance from industrial advisory groups, made a careful study of industrial education as it related to the educational needs of the people and as it related to employment opportunities. On April 11, 1958,

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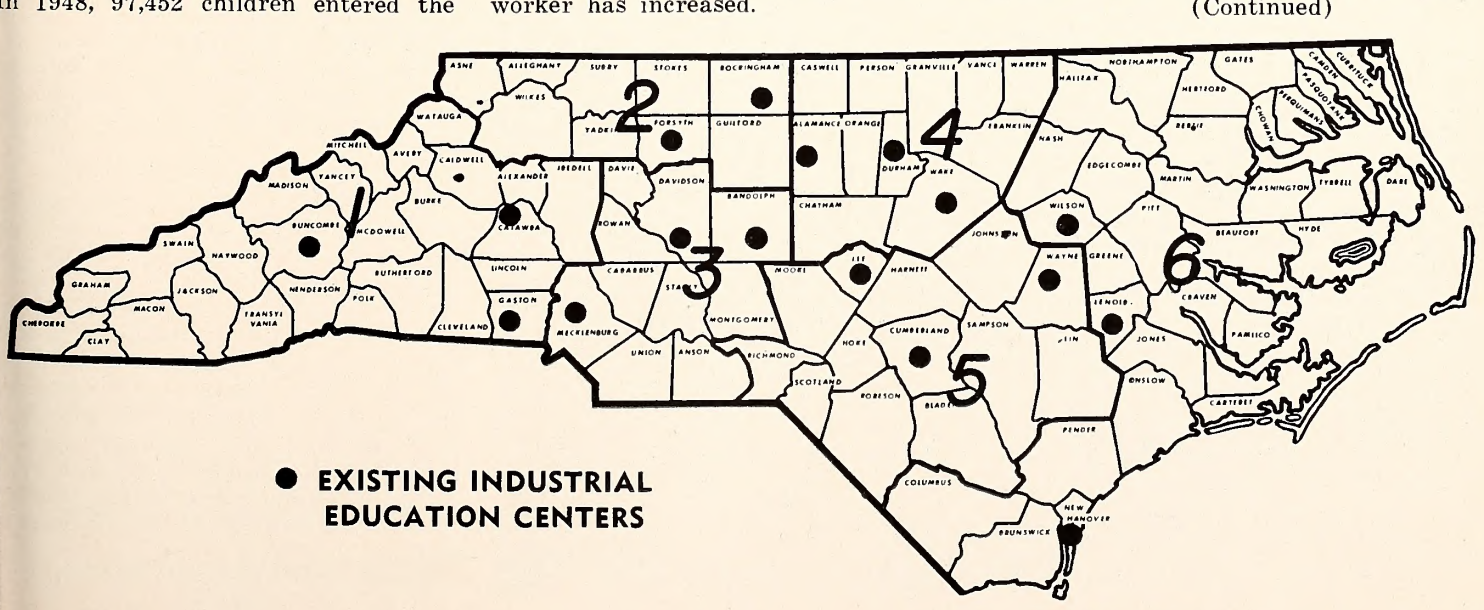
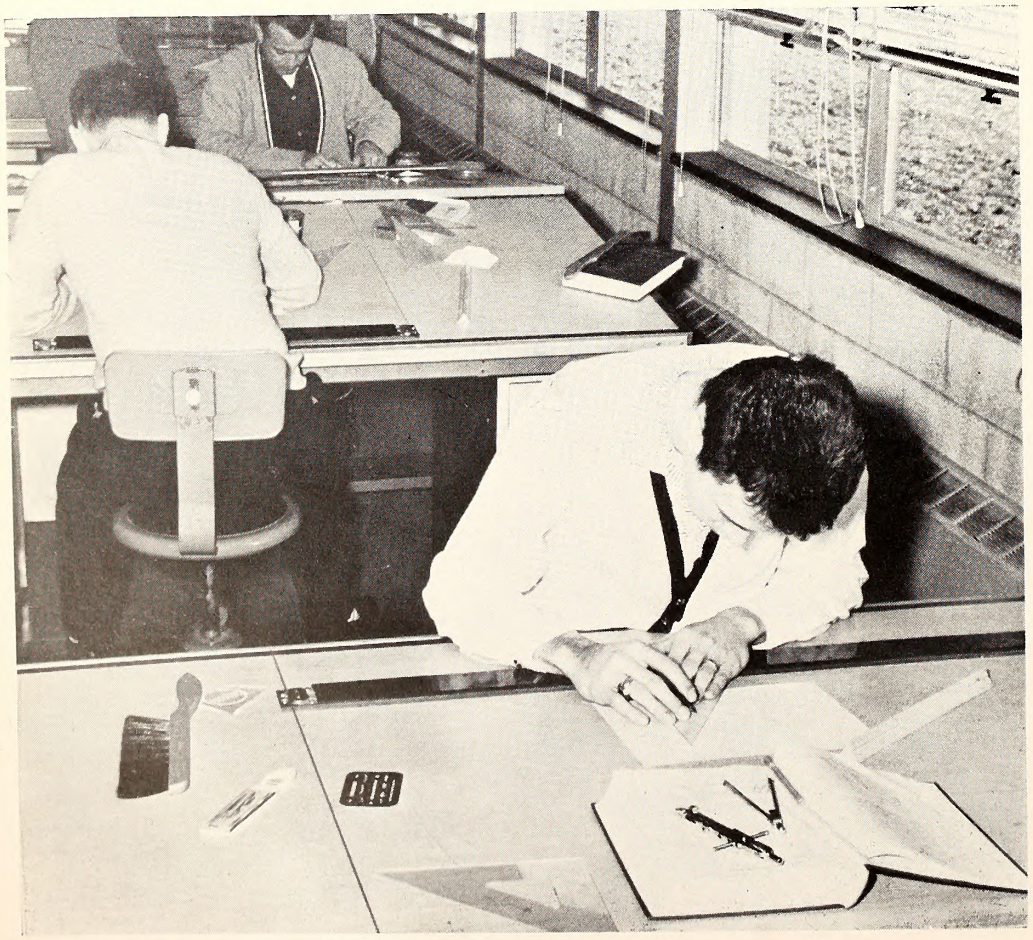


W. A. McIntosh instructs Betty Stout as a data processing student. The Burlington Industrial Education Center has 60 persons enrolled in the data processing department for day and night courses. Seven instructors teach fulltime and parttime enrollees. The drafting and design department (bottom photo) also has 60 students enrolled. This is a second year program with the Burlington IEC. Draftsmen and design technicians of all classifications will be in great demand during the next decade by North Carolina industry. It is estimated that only three percent of the new jobs on the labor market by 1975 will be for unskilled workers. And for a long time there has been a recognized need for an approved program of industrial and technical education in North Carolina.



the Advisory Budget Commission authorized use of funds then conditionally available for this purpose.

After a few months of operation, it was evident that we needed help in screening and selecting persons who could benefit from the training.

Under the leadership of Wade Martin, then State Supervisor of Trade and Industrial Education, a cooperative agreement was worked out between the Employment Security Commission and the State Board of Education. This agreement was approved by ESC Chairman Henry E. Kendall and Dr. Charles F. Carroll, Superintendent of Public Instruction, in December, 1959.

It is now possible to assist people into areas in which they are likely to succeed. It is also possible to start out with a known quality and progress from there. This agreement is looked upon as a model for other states, and we have talked about the agreement with officials in other states. These same officials invariably express surprise at the concept of the agreement and at the cooperation existing between the two agencies.

A second milestone was passed when Employment Security Commission undertook the *Manpower Requirements and Training Needs Survey*. Here again other states are using this as a model for their own surveys. The ESC Manpower Survey is unparalleled in industrial education. No state has ever done a study of this caliber. This survey will give us training needs on a statewide basis. This will be the base line from which we will work in the future.

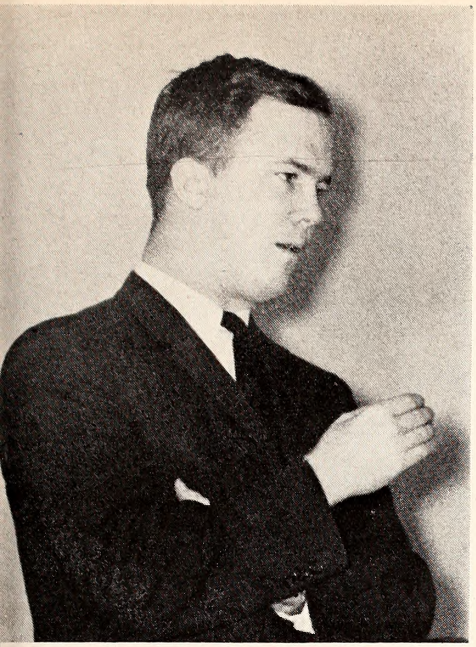
Even the preliminary report indicated some of the courses now being offered in Industrial Education Centers should be held at their present levels while others should be expanded.

We are now producing some graduates who will be seeking jobs. We want to assist these young men and women to find jobs; but we are not in the placement business. This is the responsibility of the ESC and we want to make sure every one of our students use this service. Our principle problem up to now has been this: Some students, partially through their training programs, are tempted by better paying jobs, so they interrupt their training. This is particularly true with students enrolled in electronics courses.

Tuition Free

The centers are cooperative local and state programs. They are administered by local boards of education just as other areas of public education. The local unit erects the building and the state furnishes the equipment. Teachers' salaries are paid by the state, and plant operation costs are shared by the state and the local unit. Tuition to the students is free. Material and textbook costs are borne by the student and vary from course to course. Costs to full-time students are about $10 per month for supplies.

—See EDUCATION CENTERS, Page 83—



George M. Stephens, Jr., holder of a Masters Degree in Regional Planning from the University of North Carolina, 1958, is the staff advisor to Governor Sanford on Economic Development. A native of Asheville, Stephens graduated from UNC with a BA degree in Economics and subsequently served four years active duty as a commissioned Naval officer. Until transferred to Governor Sanford's staff, he served for three years as Regional Planner, N. C. State Highway Commission.

Stephens assists in the coordination of state agency programs on the economic development of regions and localities within North Carolina. His duties include organizational and educational work to stimulate local initiative in planning and development of local programs.

Under the Federal Area Redevelopment program, the Governor of a state must designate an agency to act as liaison between the ARA and local beneficiaries. Governor Sanford has designated his own office with Stephens as liaison man. Stephens is involved with dissemination of information about the Act, review of overall plans for economic development and approval of aid projects.

Because the Employment Security Commission makes the initial surveys which determine area classification, and subsequently disburses ARA funds in subsistence payments, a close relationship exists between the ESC and Stephens' office. His article describes the role of ARA within North Carolina.

Area Redevelopment Act... "Seed Corn" For Development

By GEORGE STEPHENS, Jr.

Special Assistant to the Governor for Economic Development

Over the past ten years, in spite of ne real gains made by North Carolina n industrialization, the State exported ver 300,000 more people than settled ere. Each of these people represented n investment of at least $20,000 from amily, schools and community expendi-ures. Thus, we exported to areas of reater opportunity an investment of ver $6 billion. If anyone proposed that orth Carolina give away this much oney, they would be labeled "out of eir mind," but we did it—by default.

Another result of our loss of popula-on was a growth rate of only about 2 per cent compared to about 18 per nt of the United States, which was e reason for North Carolina losing a ongressional seat.

Also, in spite of our increasing indus-ial payrolls, our per capita income is ly 69 per cent of the national average come, exactly the same as it was at e end of World War II.

We should acknowledge these facts thout being pessimistic, because North rolina has been clearly labeled as a ate with a good economic potential in dustry, agriculture, recreation and urism and the other services. The sta-tics only serve notice that we will not tomatically make any relative gains jobs and income. We have had to run etty hard just to stand still.

The State has always worked on pro-ams for economic development either rectly or indirectly. In the past few ars the most publicized of these efforts s been the attempt to increase our lustrial payrolls, particularly through e attraction of industries from out of te.

More recently we have given greater attention to a balanced program in the field generally called "economic development," which includes development of agriculture and tourism as well as industry. Such a program requires the careful development of communities, rural areas, natural resources and people (through education) as a base for building greater economic opportunities.

Thus, in certain places and at certain times the efforts of the Highway Department or the Water Resources Department programs may be as equally important as those of the Department of Conservation and Development as far as building an economic base is concerned. So, part of the success of this balanced program must lie in the effective concentration of all state agencies on development.

Merely having good state-run development programs would not insure the creation of high-paying jobs, so the state officials are also taking the lead in organizing communities and areas to take the initiative in planning successful development programs and in taking necessary action on the local level. After all, much investment and activity will be by private enterprise, and local governments also have an important role in the provision of public utilities, streets, schools, parks, zoning, industrial sites and many other endeavors that go into the attraction of industry and the creation of jobs. Therefore, regional and local planning commissions and development groups are important to our future.

At the same time these problems were being considered at the state level. They were being given considerable attention at the Federal level, and it was noted that there were areas of "chronic" unemployment, under-employment and low-income. Even in times of full employment these areas did not measure up, and they were the ones hardest hit by depression and recession.

Congressional Okay

To combat this condition, last year Congress passed the Federal Area Redevelopment Act. The law is designed to alleviate poor employment in certain areas. It is an aid program which requires a great deal of local initiative. It is not designed as the final answer to the conditions described, but rather as a means to get some "seed corn" money into these areas to start the spiral of the local economics in an upward direction.

Let's look at the Act. First, it sets up two loan funds of $100 million each. One fund is for "urban" areas and the other for "rural" areas. Eligible redevelopment areas may receive loans to assist in industrial and commercial development. The Area Redevelopment Administration will lend up to 65 per cent of the cost of a project such as providing or expanding a building for an industry, or preparing an industrial site. The rest of the money must be put up by private lenders and/or a state or local development financing agency. The interest rate is currently 4 3/8 per cent and the maturity of the loan is 25 years.

Secondly, a loan fund of $100 million is provided for private facilities such as sewer and water extensions to industrial plants. This may be spent in rural or urban areas. On this type of loan the

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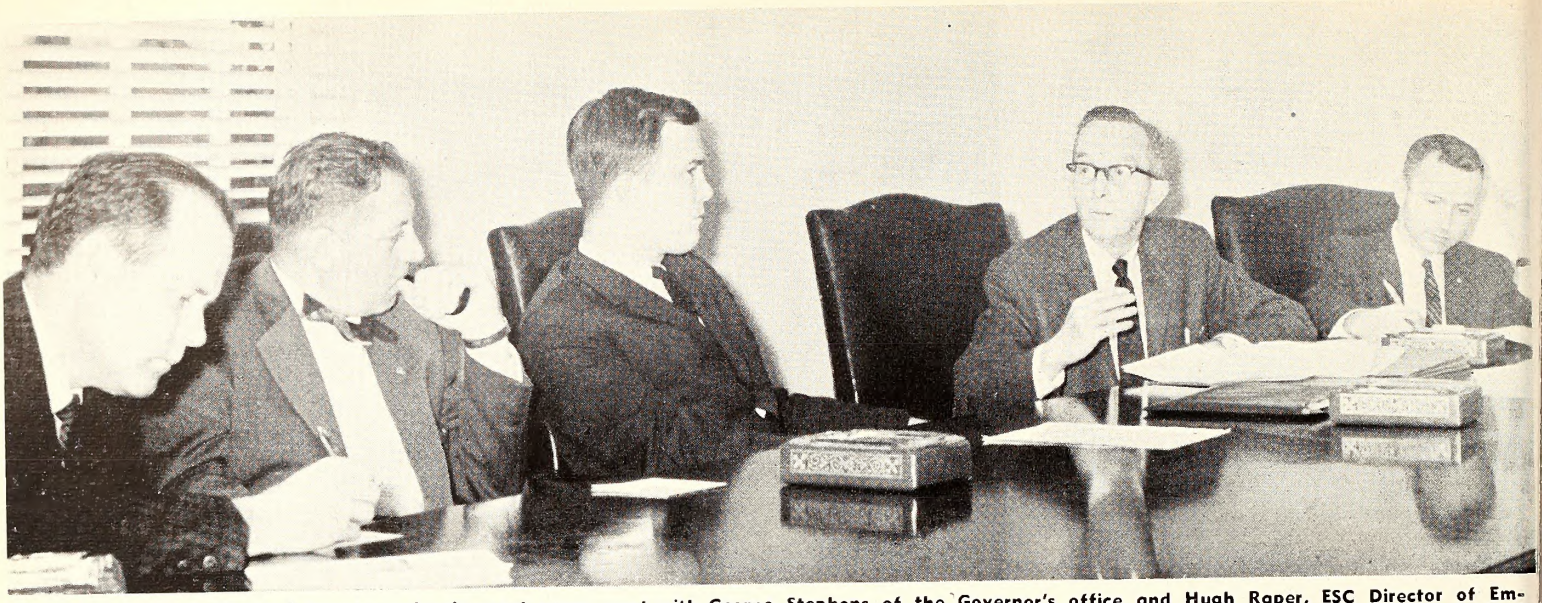


Members of the Cumberland Country redevelopment group meet with George Stephens of the Governor's office and Hugh Raper, ESC Director of Employment Security Research. Seated from left to right are: John Standridge, Monroe Evans, Stephens, Raper, and Albert Rumbough. The Cumberland County men were the first to request retraining benefits under the Area Redevelopment Act in North Carolina. The request was approved in February.

interest rate is 3½ per cent and the maturity is 40 years. There is no limit on the percentage of project cost to be loaned by the Area Redevelopment Administration.

For communities which can demonstrate that they are unable to finance a project wholly from loan funds, $75 million in grant money is provided. So, some projects can be a combination of loan and grant money.

Since financial assistance for public facility projects are designed to create jobs, many types of public facilities would not be eligible under the Area Redevelopment Act. For instance, it is extremely unlikely that a complete water or sewage system for a municipality would be financed. Probably only that part which served industrial or commercial enterprises would be eligible.

The Area Redevelopment Administration may provide a wide variety of technical information, including procurement information, and in some circumstances can provide technical experts for local consultation and guidance in development. It also has available $4.5 million annually to contract with consulting firms, research organizations, universities, etc., to make studies evaluating economic potentials and to conduct pilot projects in rehabilitation of industries.

One of the most important benefits under the Act is the grant of $4.5 million annually for occupational training. In such areas the Secretary of Labor is authorized to determine the need for additional facilities or services, and he will, in cooperation with the Secretary of Health, Education and Welfare, provide the necessary financial assistance to the state Vocational Education agency. This function has, in effect, been delegated to the Employment Security Commission and the State Departments of Public Instruction and Labor.

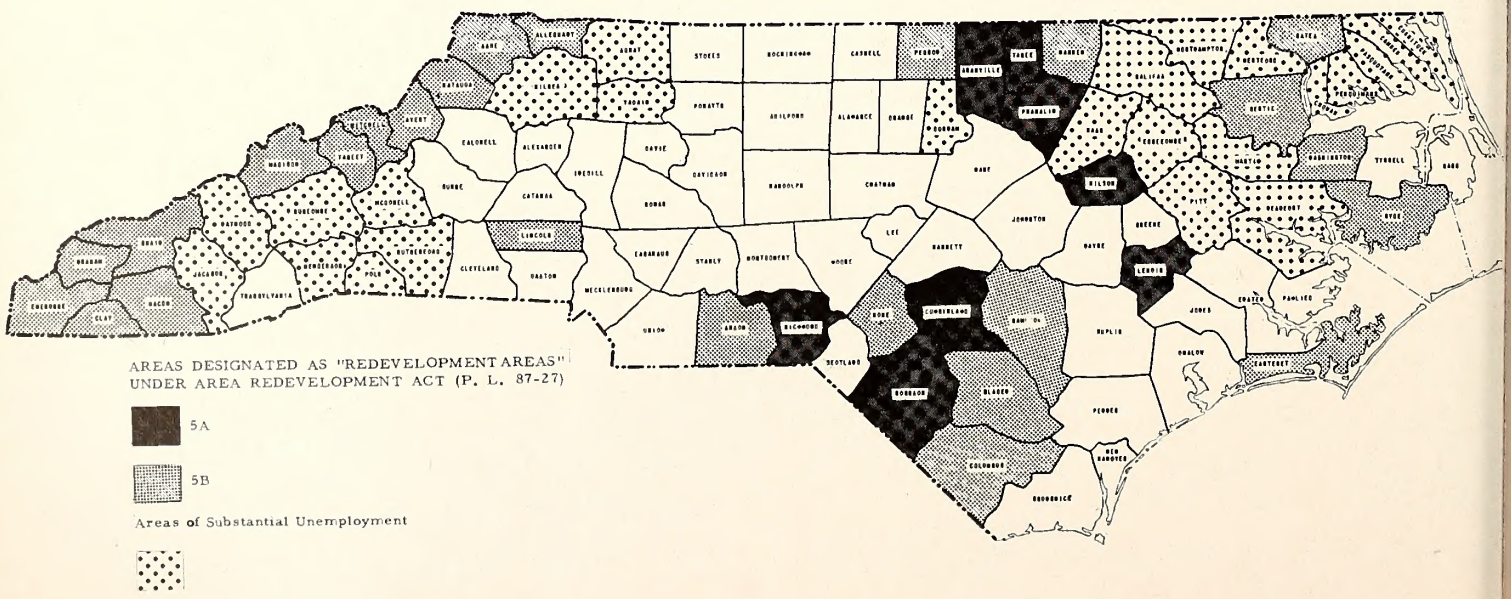
Recognizing that in redevelopment areas there will be many persons who have exhausted benefits under unemployment compensation and who could not afford to take training, the Act provides up to 16 additional weeks of financial aid to persons taking the retraining programs. Ten million dollars annually is authorized for retraining subsistence payments.

A county can be designated as a redevelopment area in several ways, but generally the designation comes from being a "substantial and persistent labor surplus area." The "Major" (ES 219) and "Smaller" (ES 219A) labor market areas are the "urban" mentioned above and fall under Section 5(a) of the Area Redevelopment Act. Richmond, Robeson, Cumberland, Lenoir, Wilson and the Franklin - Granville - Vance labor market areas are North Carolina's designated counties under this provision.

The remaining designated counties are either substantial and persistent labor

REDEVELOPMENT AREAS AND AREAS OF SUBSTANTIAL UNEMPLOYMENT

MARCH, 1962



surplus areas of the "Very Small" (ES 219B) type, or they have been designated on the basis of criteria developed by the U. S. Department of Agriculture indicating unproductive farms and low family or farm income. These counties fall under Section 5(b) of the Act, and they are: Cherokee, Graham, Swain, Macon, Madison, Yancey, Mitchell, Avery, Watauga, Ashe, Alleghany, Lincoln, Anson, Hoke, Columbus, Bladen, Person, Warren, Gates, Bertie, Hyde and Carteret Counties.

About the only difference in treatment between the 5(a) and the 5(b) areas is some liberalization of the urban redevelopment measures in the 5(a) areas, and the separate loan funds for the two types of areas.

Basic responsibility for the administration of the program lies with the Secretary of Commerce, and he has delegated this to the Area Redevelopment Administrator in his department. Certain other operating functions have been assigned to other Federal agencies. For instance, processing of loans has been assigned to the Small Business Administration, and the handling of projects in Indian Reservations has been made the responsibility of the Department of the Interior. For poorer farming areas, the Department of Agriculture has been delegated most of the organizational and educational responsibilities under the Act by the U. S. Secretary of Commerce Luther Hodges. This, in turn, has been delegated to the State Agricultural Extension Services. Final authority and responsibility lies with Secretary Hodges.

I have mentioned that this program requires a great deal of local initiative, and it does. Merely being designated a redevelopment area does not qualify a county for this Federal assistance. The county must first form an organization which can coordinate economic development, and keep all of the necessary activities going. It must include representation from government, business, agriculture and labor. A county planning commission or economic development commission formed under existing North Carolina statutes would be appropriate for this function, although a more informal arrangement might suffice in some cases.

The first job of this group is to draft a provisional "Overall Economic Development Program" (OEDP). This must include a description of the local development organization, analysis of the redevelopment area and its economy, the basis for economic growth, a discussion of problems and needed adjustments and an outline of goals and programs. Remember, the ARA is not looking for a report merely in terms of the aid which would be sought from it, but rather in terms of the total program of the area to lift itself economically. This will include information on highways, schools, the assembly of private capital, and many other items.

In North Carolina the provisional OEDP must be approved by the Governor's office, and it must be approved by the Area Redevelopment Administration in Washington. At this point the county is eligible for financial aid. However, within a year a more detailed program for economic development must be produced by the county or area in order to maintain the qualification.

Key To Federal Approval

The preparation of an OEDP is a very significant and salutary experience. It is not necessarily a complicated process, but it is very important and beneficial to economic development because all the important elements of local leadership go through the process of analyzing the economy and its potential, and they must agree on steps to be taken. As in medicine, diagnosis and an informed prognosis is half the battle. Without qualification, this procedure can be recommended to any area which wishes to initiate self-help measures to improve its economy, whether or not it ever expects to ask for a penny of Area Redevelopment aid.

An approved Overall Economic Development Program is essential before benefits for vocational training can be received, just as it is a necessity for other types of aid. When the OEDP is

—See ARA, Page 17—

First In North Carolina

CUMBERLAND COUNTY OEDP APPROVED

By Dave Garrison

Assistant Director, Bureau of Employment Security Research

Although 31 North Carolina counties are now eligible to seek assistance under the Area Redevelopment Act, which was enacted in May of last year, Cumberland County was the only area which had actually submitted a formal request for aid under the new program at the end of 1961.

Two other areas, Robeson County and Madison County, have prepared and submitted Overall Economic Development Programs to the U. S. Department of Commerce, and a number of other communities are working on economic programs. Programs for none of these other areas, however, had been officially approved at the close of 1961. Approval of an area's Economic Development Program is a prerequisite for receiving assistance under the Area Redevelopment Act.

Cumberland County was one of the first areas in the State to be designated a "redevelopment area" by the Commerce Department. The area was recommended to the Area Redevelopment Administrator by the Bureau of Employment Security of the U. S. Department of Labor on the basis of labor market reports which were prepared by the Employment Security Commission of North Carolina. These labor market reports showed that the rate of unemployment in Cumberland County had been substantially greater than the national average for the past four years.

Cannot Absorb Excess Labor

A common characteristic of many redevelopment areas is the inability of the local economy to absorb the excess supply of unemployed workers, and in this respect Cumberland County is no exception. The surplus labor problem in Cumberland County is not of recent origin. Instead, it results largely from the fact that the growth of the area's labor force over a period of years has greatly exceeded the number of new jobs being created.

The Area Redevelopment Act is intended primarily to alleviate conditions of heavy unemployment and underemployment in designated redevelopment areas. The Act establishes the following programs through which this objective might be accomplished:

(1) technical assistance in planning and conducting economic development activities,
(2) loans and grants for community facilities which would contribute to economic growth of the area,
(3) loans for industrial or commercial projects,
(4) occupational training or retraining of unemployed or underemployed individuals residing in the area to enable them to obtain employment, and
(5) retraining subsistence payments to assist unemployed or underemployed persons who are receiving training.

When they first learned that their area was eligible for possible assistance under the ARA program, community leaders in Cumberland County promptly organized the Cumberland County Economic Development Commission. This group proceeded to formulate and write a preliminary Overall Economic Development Program for the area, using the facilities and personnel of the Planning Department of the City of Fayetteville and the Fayetteville Chamber of Commerce. The Cumberland County Economic Development Commission presently serves as coordinator of all redevelopment activities for the area.

In August 1961, Cumberland County's Economic Development Program was submitted to Mr. George M. Stephens, Jr., Special Assistant, Governor's Office. After review and approval at the state level, the OEDP was sent to the Area Redevelopment Administrator of the U. S. Department of Commerce where it received final approval, thereby making Cumberland County eligible to seek ARA assistance on specific projects.

(Continued)

In on the planning for Cumberland County's redevelopment were (front row, left to right): R. B. Cose, opprenticeship representative: C. L. Beddingfield, State Director, Apprenticeship Training; Charles D. Bates, Stote Supervisor, Trode and Industrial Education; Dr. Gerald B. Jomes, Division of Vocational Educotion, Stote Department of Public Instruction; and Alden Honnycutt, Assistant ES Director, Employment Security Commission. (Back row, left to right) Sol Rose, Fayetteville City Council; Williord S. Swiers, Assistant Superintendent, Fayetteville City Schools; Charles C. Clork, Executive Vice President, local Chamber of Commerce; ond John McCormick, Fayetteville Employment Security Commission office.

Meeting Called

In December, 1961, local and state office personnel of the Employment Security Commission and the Department of Public Instruction met with representatives of the Cumberland County Economic Development Commission to explain the occupational training provisions of the Act, and to determine whether or not an ARA training program was desired in Cumberland County. At this meeting, it was decided that a formal request for training assistance would be made.

The Area Redevelopment Act places direct responsibility on the U. S. Department of Labor to provide direction and assistance in determining and developing occupational training and retraining needed by jobless workers to meet the demands of the area's employers. This function has been delegated more specifically to the Labor Department's Bureau of Employment Security and the affiliated State Employment Security agencies. Thus, when the Cumberland County Economic Development Commission decided to request a training program, the Employment Security Commission was responsible for establishing an Area Technical Committee on Occupational Training and to assist in identifying those specific occupations for which training is most needed in the area.

The Technical Committee on Training for Cumberland County was formally organized and is presently comprised of the following representatives: the manager of the Fayetteville Employment Security office (chairman); the area representative of the U. S. Bureau of Apprenticeship and Training; the Superintendent of the Fayetteville City Schools; the Director of the Fayetteville Industrial Education Center, and one member of the Cumberland County Economic Development Commission.

What Occupations Most Needed?

Next, staff members of the ESC Bureau of Employment Security Research and the Fayetteville local office began a detailed analysis of local office records which would indicate the specific occupations having significant employment expansion and replacement requirements. This review pointed up the principal jobs for which there was significant demand during 1961, particularly those jobs which could not be filled readily because of a lack of qualified and experienced workers. Simultaneously, a review was made of the active job applicant files to learn more about the training potentials of the area's labor supply. These data were supplemented by information obtained as a result of the Employment Security Commission's recently completed statewide Survey of Manpower Resources and Training Needs for Technical and Selected Skilled Occupations. Also available was occupational demand information which had been collected a year earlier by the Fayetteville City Schools in conjunction with the establishment of an Industrial Education Center in Fayetteville.

After considering the area's overall training requirements, as indicated by the various types of information just mentioned, the Area Technical Committee on Training decided that training under the ARA program would be requested for the following six occupations: Sewing Machine Repairman, Stenographer, Sewing Machine Operator, Practical Nurse, Welder, and Carpenter.

Since the proposed training is to be offered through the Fayetteville Industrial Education Center, staff members of the Center promptly went to work and prepared comprehensive and detailed course outlines and costs justifications for necessary instructors, space, equipment, and supplies in each of the selected training occupations. Meanwhile, ESC personnel prepared a report showing the needs for training in the occupations and estimates of expenditures for subsistence payments to the workers who would be trained.

Subsistence Payments

Under the ARA program, trainees undergoing approved occupational training may receive weekly subsistence payments disbursed by the State Employment Security Agency. Such payments may be made to an individual for a maximum of 16 weeks at a rate equal to the state's average weekly unemployment benefit payment for a week of total unemployment. In North Carolina this will amount to around $22 per week for training commenced subsequent to April 1, 1962.

Total estimated costs for this proposed Cumberland County training program amounted to more than $150,000, with approximately $72,000 representing training payments to workers.

The Cumberland County proposal was approved by the Secretary of Commerce's office in February. The proposal originally requested approval for training in six specified courses. Four were approved. The N. C. Department of Public Instruction receives $35,600 for conducting the courses and an additional $29,50 has been made available for the payment of subsistence benefits to students.

Approval of Cumberland County's request marks North Carolina's first ARA worker-training project.

OEDP Requests Training Funds For Six Occupations . . . Commerce Department Okays Four . . . Fayetteville IEC Will Administer Courses

Western Counties United In Development Efforts

By John R. Hampton

Planning Director, Western North Carolina Regional Planning Commission

The Western North Carolina Regional Planning Commission (WNCRPC) was established by State Statute in 1957 as North Carolina's first regional planning commission. In 1959, similar legislation created the Research Triangle Regional Planning Commission. The General Assembly in 1961 passed state-wide legislation permitting the creation of regional planning commissions by agreement between any two or more municipalities and/or counties.

North Carolina's interest in regional planning has developed from earlier deliberations of the Western North Carolina Associated Communities. Since 1946, this loosely knit confederation of chambers of commerce from eleven western counties has sponsored many successful programs of direct benefit to the region.

Interest in planning was stimulated in 1951 and afterward when members of the Associated Communities encouraged western towns to take advantage of graduate student assistance provided through the University of North Carolina's Department of City and Regional Planning.

In 1954, President Eisenhower's housing legislation provided matching planning grants to towns and cities wishing to avail themselves of long range development programs. No State or local organization was at that time established to permit the participation of North Carolina municipalities.

A committee was named by the Associated Communities to review possible procedures for providing planning services to Western North Carolina and to recommend appropriate action. This committee turned to the Institute of Government for guidance, and a draft enabling act creating a regional planning commission was prepared.

During the 1957 session of the General Assembly, the proposed legislation was given favorable consideration. A minor amendment to the bill added Polk County to the eleven counties within the service area of Western North Carolina Associated Communities. At the request of McDowell and Rutherford Counties, the 1959 session of the General Assembly permitted them to join WNCRPC. In 1961, Avery, Mitchell, and Yancey Counties were permitted to join by a legislative amendment.

Organization

Each county and municipality within WNCRPC's service area may join the commission by naming a representative and paying an annual fee. Fifteen of the counties and 28 of the 39 municipalities are currently members in good standing. Meetings are held quarterly and have been held throughout the area affording a maximum opportunity for interested persons to attend.

A Chairman, Vice-Chairman, and Secretary-Treasurer are elected for one year terms at the annual meeting held in May. The Chairman appoints, in addition to the officers, six other representatives to serve on the Executive Committee. This nine-man committee meets about once each month on the call of the Chairman, and provides continuing direction for the staff. Current officers are: Percy B. Ferebee, of Andrews, Chairman; Jennings A. Bryson of Sylva, Vice-Chairman; and George M. Stephens of Asheville, Secretary-Treasurer.

The Commission maintains offices in the City Building in Asheville with a staff of five. The Executive Committee has authorized the employment of two additional planners to meet the growing demand for technical services.

WNCRPC's $8,000 operating budget is derived solely from membership fees. This budget is supplemented by: 1), contractual arrangements with members for special and continuing technical services; and 2), grants from private and federal agencies. Expenditures for the current fiscal year will exceed $45,000.

Operating Policy

The Commission has always awaited a responsible request from local leadership before offering advice or assistance in the solving of local problems. WNCRPC is aware of its powers and duties in fulfilling an advisory function. No authority exists, nor it is sought, for implementing plans and programs on a region-wide basis. Governmental bodies answering directly to the people have the responsibility of implementing plans of action.

If any technical or other service is available to the Region from any other agency, WNCRPC will refer members to that agency. No attempt is made to duplicate services already available.

WNCRPC is charged by law with the following specific responsibilities:

Regional Development Plan

Counties and urban areas, in preparing detailed plans for orderly growth, can benefit greatly when making decisions within the context of a larger area. State and federal agencies having activities within the region can also benefit from a coordinated development plan agreed upon by the region's leadership.

The Economy of Western North Carolina, prepared for WNCRPC by Hammer and Company Associates is the first significant step toward the development of a regional plan. This study, completed in August, 1961, points up the potential of the area for growth. It sets guide lines for realizing the region's economic future.

A water resources study for the five N. C. counties in the French Broad River Basin is now under way through the cooperative efforts of WNCRPC, N. C. Dept. of Water Resources, TVA, and others. This exhaustive study will provide the essential elements of a comprehensive development plan for this part of the region. When this study is completed in 1963, the Commission intends to work toward similar studies for all the other river basins in the region.

Local Planning Assistance

WNCRPC provides three types of local assistance to its membership: advisory services, demonstration projects, contractual services.

Any member may contact the Commission's offices for services requiring no more than one-man-day at any one time. These services are provided without further charge, and are available without concurrence from the Commission's Executive Committee. Field visits, planning board meetings, talks before interested groups, minor research, and referrals typify the kinds of service available.

A member town or county may request specific studies having only local value and requiring considerable staff time and expense. If the Executive Committee believes such a study would serve as an example for other members, it may direct the staff to provide the services as a demonstration project without further cost to the member.

Comprehensive planning studies requiring considerable time and expense are available to members on a cost basis. Contractual work is either completed or under way for Forest City, Highlands, Asheville, Western Carolina College, Mountain Retreat Association and Warren Wilson College. Similar services are being programmed for Franklin, Hazelwood, Waynesville, Clyde, Brevard, Hendersonville, Hot Springs, Haywood County, and Rutherford County. A program for a typical town would include: base mapping, population and economic studies, land use survey, land use plan, thoroughfare plan, zoning and subdivision regulations.

Relation to ARA

WNCRPC followed with interest Senator Douglas' legislation for area redevelopment which was passed by Congress only to be vetoed by President Eisenhower. Campaign speeches by Candidate Kennedy on self-help programs for underdeveloped areas were reassuring, and accelerated the Commission's actions in securing an economic potential study for the Region.

When the Area Redevelopment Act was signed into law by President Ken-

—See WNCRPC, Page 83—

W. A. Dawkins of Raleigh, Manufacturing Engineer with the Westinghouse Meter Divisian, instructs an apprentice class in basic electricity. Conducted at the Westinghouse plant, this is a taal and die maker class, instructed eight haurs a day during each warking day and is part af a faur-year pragram. All the apprentices are registered with the U. S. Bureau af Apprenticeship and with the State Department af Apprenticeship Training.

No Shortage Of Technicians Here, Westinghouse Electric Meter Division Instructs Its Own

R. F. KATIS, *Supervisor of Training*
Meter Division, Westinghouse Corp., Raleigh, N. C.

Early in 1954 the Meter Division of the Westinghouse Electric Corporation began the searching task of interviewing, screening, and testing hundreds of applicants. The objective was to fill more than a thousand new jobs—from engineers to janitors. It immediately became apparent that it would not be too difficult to hire the professionals—engineers or the unskilled—material handlers. However, one fact quickly became very evident: there was a serious shortage of applications needed to fill the gap between the professional and unskilled. Engineering draftsmen, tool designers, machinists, tool makers, diemakers, modelmakers, automatic screw machine operators, electrical and electronic laboratory technicians, etc., were just a few of the job classifications which required out-of-town and even out-of-state recruiting.

After a nucleus of technicians had been hired, Westinghouse immediately set up short-run and long-range training programs. Five basic technical training plans were inaugurated:

1. Four-year Tool & Die Maker and Model Maker Apprenticeships
2. Three-year Engineering Draftsmen Apprenticeships
3. On-the-job trainee programs
4. Educational Assistance Program (for college students)
5. Westinghouse Technical Night School

Four-Year Metal Trades Apprenticeships

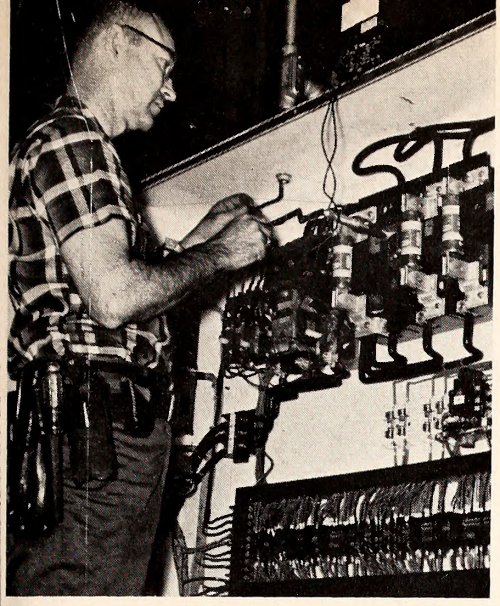
The Westinghouse Tool & Die Maker and Model Maker apprentices spend 8320 hours in shop and school learning and practicing the skills of their trades. Students are rotated through various departments, as part of a well-rounded plan, which enables them to gain a working knowledge of modern tooling from the conceptual thinking of engineers to the problems of the maintenance and repair mechanics.

These students have scheduled working assignments in the Tool Room, Heat Treating Room, Tool Inspection Department, Tool Design section, Model Shop, Maintenance Department, and the special Order Section. The apprentices are invited to Tool Engineering meetings to observe behind-the-scenes tool planning.

Over 1000 hours of the students' time are devoted to classroom training. Here on company time (for which they are paid), apprentices receive the valuable theoretical side of their trade. A partial list of courses, which are taught in a modern, well equipped classroom, in

A graduate af the Westinghause taal and die maker caurse, Jessie W. Gay started training in February, 1955. Taal and die makers are high an the list af skills North Caralina emplayers will need by 1966. Westinghause training far taal and die makers include 8320 hours in shop and school.

Another skill that is naw in demand is the qualified draftsman. Mechanical, electrical, tapographical—all are needed by industry. Maylon P. Caake is a three-year engineering draftsman graduate apprentice under Westinghouse training. Caoke decided to remain as a Westinghouse employee



Another needed skill is the electricion. Vernon Peorce is not o Westinghouse Corp. opprentice groduote, but hos 20 yeors experience behind him.

cludes: arithmetic, algebra, geometry, trigonometry, blueprint reading, engineering drawing, basic electricity, metallurgy, gear design, heat treating, physics, technical reporting, public speaking, etc.

Westinghouse apprentice programs are registered with the Bureau of Apprenticeship, North Carolina Department of Labor, and the U. S. Bureau of Apprenticeship. Upon graduation, each newly-trained craftsman receives a Completion of Apprentice Certificate (Journeyman's Papers) from the State Bureau of Apprenticeship. The graduate also is awarded a Westinghouse Corporation Trades diploma, which is formal recognition that the journeyman has met all the standards required by the company, and that he is fully capable to practice his chosen vocation. Westinghouse is no newcomer in the field of apprentice training—the highest of standards have been maintained since the trades training system was established in 1896 by George Westinghouse, the Corporations' founder.

Three-Year Engineering Draftsman Apprenticeship

This program was designed by the Raleigh Meter Division, Engineering Department. The Extension Division of North Carolina State College supplied the instructors for this Engineering Draftsman Apprenticeship. Students in this program attended classes (on company time) from six to nine hours per week. Subject material included courses in manufacturing processes, basic electricity, kinematics, algebra, analytic geometry, calculus, engineering drawing, technical writing, etc.

The Engineering Draftsman curriculum was designed to teach the apprentice to work directly with engineers in working out ideas on paper, and then in developing the product. All students in this program (one was a young lady) were indentured by the State Bureau of Apprenticeship. Each graduate received a Completion of Apprenticeship Certificate from the Department of Labor and a Graduate Apprentice diploma from Westinghouse.

On-The-Job Trainee Program

From time to time Westinghouse offers its employees opportunities for advancement into the skilled or semi-skilled trades through on-the-job training.

The Training period varies for these programs from six months to three years. A partial list of trainee programs includes: machine operators, quality control inspectors, automatic screw machine operators, tool and cutter grinders, pipefitters, etc. Some of these programs include classroom instruction, some do not. However, in all cases, the trainee is given closely supervised guidance in the performance of his job requirements—use of tools, gauges, reading blueprints, safety, etc.

Educational Assistance Program

Another Westinghouse educational opportunity extended to employees is the Educational Assistance Program. Under this plan, any employee, who has a year or more of service, will be refunded one-half the tuition costs for an approved course of study which earns college credits. The only requirement for this tuition refund is that the employee must maintain the scholastic requirements (passing grades) set by the school. Upon completion of studies for undergraduate or graduate work toward a degree, a lump sum refund is made of the other half of the total tuition costs.

Westinghouse Technical Night School

Another helping-hand Westinghouse has extended toward boosting employees education is the Westinghouse Night School. The program was initiated in 1958 to teach subjects not readily available through night classes in the Raleigh area. The initial response was overwhelming. Approximately 225 employees enrolled in some 15 in-plant classes which were conducted after working hours in various conference and training rooms. Geometry, algebra, business English, die design, gear design, blueprint reading, typing, shorthand, etc. were some of the courses offered. Three years later, in 1961, attendance had dwindled down to about 40 students. However, if a group need, or interest, is indicated, classes will be formed again.

Delores Cholk, laborotory ossistant, received on-the-job training ot Westinghouse. Lob technicions will olso be in great demand by N. C. industry.

The plant's success is directly attributable to the opportunities it has afforded its employees to upgrade themselves—no small incentive in a rural area. Intensive training in all levels has more than paid off in mutual benefits to the company and its employees.

ARA in North Carolina

(Continued from Page 13)

approved, the Employment Security Commission is responsible for initiating steps in the area to take advantage of this provision. It must do two things:

1. It must organize a local committee composed of representatives of the local economic development commission, the local Employment Security Commission office, local vocational training and other school officials, and the N. C. Department of Labor local representative.
2. It must begin a survey of labor training needs.

It is this local committee's task to write a plan for labor training in the area based on the needs uncovered by the survey. It should do an imaginative job and should pay particular attention initially to training for those job opportunities which already exist in the area.

After preparation of the training plan, it is certified by the State Employment Security Commission and sent to the U. S. Secretary of Labor signed by the ESC Chairman and the Director of the Department of Public Instruction. Federal funds may then be made available for the training programs which will be administered through the Vocational Education Division of the Department of Public Instruction, and in some cases through the apprenticeship program of the Labor Department.

The ESC has a sort of "alpha and omega" role in the administration of this act. It makes the initial surveys which determine whether an area can qualify for aid. It assists the local development commissions in analyzing their employment and unemployment for the Overall Economic Development Programs, and it plays a key role in getting necessary labor training program under way.

Good development work is being accomplished by communities, counties and by the state. There should be more because local initiative and local money are the most important ingredients. There are some projects, though, which are beyond the local means. In such cases Area Redevelopment aid can be a useful tool and supplement. For further information write to the ARA, U. S. Department of Commerce, or the Governor's Office.

CLEARANCE ORDERS PROVIDE NATIONAL PLACEMENT SERVICE

By John C. Mullen
Supervisor, Clearance Placement

The Wagner-Peyser Act of 1933 was enacted to help workers and employers solve their employment problems by establishing a nationwide public employment service. Provision for "maintaining a system for clearing labor between the several states" was incorporated in the act.

The establishment of a nationwide system of public employment services created the basic structure for providing assistance in directing the orderly movement of workers. One local employment office may receive an order from an employer and may be unable to supply an adequate number of workers. Another local office may have in its files applications of qualified workers who are available for such employment. Through the nationwide clearance placement service, the worker and the employer are brought together.

Labor market conditions change with economic cycles. Nevertheless, whether the situation is one of over-supply of workers or one of under-supply, the need for a system to effect the orderly movement of workers for the benefit of the total economy continues to exist.

Providing a placement service, the local office of the Employment Service is the focal point for applicants and employers. This placement service is nationwide.

Just what does "clearance" mean?

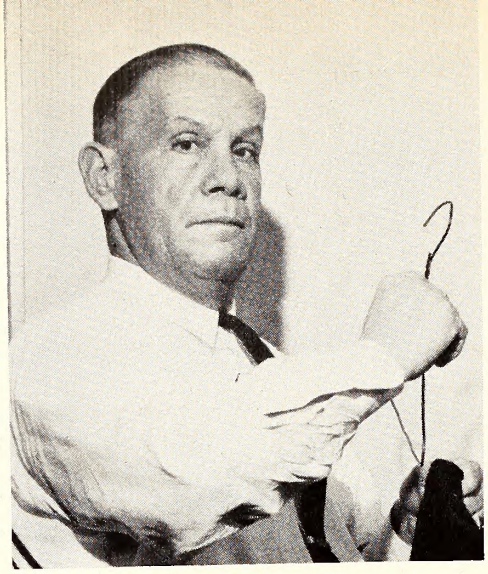
" 'Clearance' is a term used to denote those activities of the regular placement process which involve joint action by an order-holding office and an applicant-holding office in (1) the location and selection of an applicant and the referral of the applicant to a job opening, or (2) the location of a suitable job opening for an applicant and the referral of the applicant." Clearance is not a separate activity. Every employee in the State Employment Service having placement responsibilities should be prepared to serve applicants and employers through clearance.

Saves Time And Money

If applicants are not available locally and the employer is willing to accept workers from other localities, the clearance system arranges to obtain workers from other local offices. Also, if applicants cannot be placed locally and if they are willing to go elsewhere, clearance locates job openings through the facilities of other local offices.

The clearance process saves time and money for both applicants and employers.

Clearance procedures should be preceded by a thorough investigation of all local resources. It is good local-office practice to check thoroughly the application files; maintain daily a close check of the qualifications of current applicants—new and renewed; establish a shortage list; make telephone inquiries of employers or make spot announcements on the radio to obtain workers; and advertise in the newspapers and other publications to keep the general public, civic and industrial groups, and labor organizations informed of the local needs for workers. Each public employment office has an area of "direct clearance." Offices are within a state or in adjoining states which have been authorized by the appropriate state agencies to negotiate **directly** with each other on clearance activities when geographic proximity, ease of transportation, or similarity of industrial activity warrant.



JOHN MULLEN

"Extending an order" is a phrase used to describe the submittal of a Clearance Order through clearance procedures to additional local offices in order to locate and utilize their labor supply. If a clearance order cannot be filled within the area of direct clearance, the order-holding office requests the administrative office to extend the order further. "Intrastate clearance" is the extension of an order by the state administrative office to selected local offices within its state, which have not been authorized to negotiate with the order-holding office as offices of direct clearance.

After a check has been made of available current labor supply and demand information, or after communicating with other local offices to determine availability of qualified applicants, the state administrative office selects the offices to which it extends the order. When any of the selected local offices determine that qualified applicants are available and willing to accept referral, the clearance action proceeds by direct negotiations between the order-holding and applicant holding offices.

If it is determined that qualified applicants are not available through the other local offices within the state, the state administrative office would initiate "clearance between states."

Clearance between states is the direct extension of job orders to states within the region and contiguous states, and to any other areas outside the region in which the employer has specifically requested clearance. If the employer has not requested clearance to any specific states, extensions are based primarily upon available labor supply and demand information. First consideration is given to contiguous states and those within the region.

In searching beyond contiguous state and regional boundaries, the state headquarters will consult the regional office. In turn, the regional office may consult the national office of the Bureau of Employment Security with respect to labor supply and demand information which would assist in establishing potentially productive recruitment areas. Once these areas have been established, actual clearance of the order is accomplished directly from the order-holding state to the recommended applicant-holding state.

When another state headquarters accepts the order, it is extended to selected local offices within its state. This is done by careful evaluation of available current labor market information or by determination of potential availability of qualified applicants as in intrastate clearance. The selected local offices (applicant-holding offices) then negotiate directly with the order-holding office or with the employer.

Avoids Ineffective Orders

Clearance orders which specify mai referral as the recruitment method, bu carry no provisions for paid advertising by the employer, will generally be con fined to states within the region and con tiguous states. For clearance beyon these boundaries, arrangements must b made through the regional office. Th purpose of this control is to avoid wide spread clearance of ineffective orders Clearance begins with the order holdin local employment office and is funnele outward to include areas of the stat region and Nation.

Generally job placements occur nea the order holding office, and as clearanc activities are carried farther afiel placements decrease. Offices of direc clearance and intrastate clearance pr vide the majority of clearance plac ments. In order to serve both applican and employers more effectively, loc sources and available labor supply i nearby offices should be exhausted b fore seeking workers at greater distance A clearance job opening may be defin as a job opening which (1) cannot filled locally, (2) has been listed on State Inventory of Job Openings, or (has been extended to other local offic by means of a Clearance Order. When a adequate number of qualified worke cannot be located within the area serv by the local office, or within offices direct clearance or when it is inadvisab to extend the order to offices of dir

—See PLACEMENT, Page 85—

"I think they're the finest type labor in the eountry," says Thomas O'Connor about the textile workers in the Forest City area. "They're second to none. They are not looking for any cream puff or faney do-dads. All they want," believes O'Connor, "is an honest day's pay and the vast majority will reeiproeate with an honest day's work."

The comptroller of Laurel Mills says he is very proud of his company and points out that "the people of our eounty would be our best salesman."

O'Connor's son, Robert, a graduate of N. C. State College, is also a textile man—employed by Burlington Mills in Burlington. But the O'Connors have not always been in the textile profession. From Yankee country, his visit to North Carolina years ago turned into permanent residence and he "really likes North Carolina—in our part of the state especially."

After hearing himself on a tape reeording prepared for a radio show, O'Connor laughed. "Well, I certainly sound like a Yankee, don't I?" Nevertheless, the new Commissioner is one of North Carolina's biggest boosters, partieularly outspoken on the quality of Tar Heel workers.

Textile Man Named New Member Of Commission

THOMAS B. O'CONNOR

Thomas B. O'Connor was appointed to serve on the Employment Security Commission last July by Governor Terry Sanford.

"Well, it's very good," says O'Connor. "I'm very much interested in the Commission and the wonderful work it's doing. The average citizen doesn't know how well it's performing.

"Sanford impressed me," O'Connor adds, ". . . his approach and progressive attitude, and especially his ideas on progressive education."

A native of Jersey City, New Jersey, the 58-year-old O'Connor turned a two-week 1949 visit to North Carolina into what he hopes to be a lifetime residency in the Tar Heel state. Presently Comptroller of Laurel Mills, Inc., of Rutherfordton, O'Connor was a tax and accountant businessman in Jersey City.

"Came down here for two weeks," he explains. "People wanted to sell the plant. We saw the potential this industry had and I set up an accounting system." Instead of liquidating the plant, O'Connor and others started to build. "There were 11 people at the plant then. Now there are 600," he reports.

"I didn't move anything at all. Bought all new furniture and went after the family."

A graduate of Accounting and Law at Pace and Pace Institute in New York City, O'Connor also had a year's business and accounting at Fordham. Subsequently he became an auditor for the Guaranty Trust Company.

He later entered the newspaper business and for eight-and-a-half years managed a news company for the Hearst Enterprises.

He has been a field auditor for the Treasury Department and is experienced in corporate income tax.

Now a textile executive, O'Connor lives and breathes the air of North Carolina's hugh textile industry, the state's largest employing unit.

"Very interesting," he smiles. "The textile industry is like the newspaper business. It's creative. It's challenging. Always something new. Always coming up with a new idea!"

O'Connor believes the future of textiles is "as important as the sun and air. It will always be a prominent part of the economy."

A member of the Catholic Church in Forest City, O'Connor and his wife, the former Lura Hume of Jersey City, have two children. Robert was a Dean's list student, a 1951 graduate of N. C. State College and now an employee of Burlington Mills. Daughter Patricia is a senior at the College of New Rochelle, New York where she is a history and philosophy major.

To serve the four-year assignment, O'Connor joins Dr. James Seabrook, Fayetteville; Bruce Davis, Charlotte; R. Dave Hall, Belmont; W. Benton Pipkin, Reidsville; and Dr. Maurice Van Hecke, Chapel Hill, as Employment Security Commissioners.

The Commission assembles once every 60 days in Raleigh as required by the Employment Security Law to discuss and settle matters of importance to Employment Security administration within the state.

O'Connor also serves as secretary and treasurer of the Rutherford Industrial Development Commission and as chapter chairman of the county Red Cross.

Laurel Mills was organized in 1948, according to the new Commissioner. The organization produces automotive and furniture upholstery, swim wear, drapery and dress material.

"I always brag about North Carolina. They're the finest type of workers. Best type of labor I think you can find in the country. I never tire bragging about them," O'Connor continues. "They're loyal and everything you want. Yes, all local people.

Industry moving here always asks me how's labor. I tell 'em our workers are our most valuable asset."

"Stay-In-School" Program Organized As Annual Civic Group Project In Durham

RICHARD DAVIS, *Durham Optimist Club*
LOUIS BERINI, *Mgr., Durham ESC Office*

Last year in North Carolina 43,404 boys and girls dropped out of school—45,271 graduated from high school. This drop-out figure is incompatible with Governor Sanford's "quality education" program and he has said so. The Optimist International group has as one of its youth projects a "Stay-In School" campaign which it encourages its clubs throughout the United States and Canada to utilize. Knowing that a great deal of success had been achieved by the Charlotte Optimist Clubs with a Stay-In School Campaign in previous years, Governor Sanford asked the Optimist Clubs of District 18 which make up the Optimist Clubs of North Carolina to take this Stay-In School project as a statewide project. Jack Wood, an Optimist from Charlotte, was chairman of the Coordinated Charlotte Stay-In School project. He was asked to head up the North Carolina Stay-In School project.

In August, 1961, at the first quarter District 18 Optimist International board meeting, Earl Yarborough, Governor of District 18, challenged the presidents of Optimist Clubs to set up Stay-In School committees in their own clubs. Chairman Wood, through a short training session laid the groundwork for activating Stay-In School committees in each club of District 18. On their return to their clubs, the presidents appointed Stay-In School Campaign Chairmen and contacted school superintendents. Together they set up working committees made up of assistant superintendents, supervisors, principals, guidance counselors, teachers, and outstanding members of the Optimist Clubs.

An executive Stay-In School Committee for North Carolina was appointed jointly by Governor Sanford and Chairman Wood to work with the Governor on this drop-out problem. Louis Berini of Durham, Dr. Henry Weitz of Duke University, and E. E. Moore of NCC at Durham were appointed to serve on the Governor's Committee from Durham.

Plan Developed

In Durham, the two Optimist Clubs coordinated their Stay-In School committees under Co-Chairmen Richard E. Davis and Sam Rich. They worked through Mr. E. L. Phillips, Assistant Superintendent of City Schools and Mrs. H. L. Hassell, Director of Curriculum and Guidance for the Durham County Schools. Together they developed the plan whereby the school people would furnish the Optimist Stay-In School joint committee a list of junior and senior high school youngsters who would benefit returning to school. The youngsters were screened by the principals and counselors. The club committee placed their names, addresses and telephone numbers on index cards.

The clubs were divided into teams of ten men each. By twos, members of each team would visit the youngsters. First a call was made to the parents to determine their general feelings concerning a visit to encourage their youngster to return to school. If the parent opposed the visit, none was made. However, in most cases the parents were very happy to have us talk to their youngsters and encourage them to return to school.

The club membership was prepared for the Stay-In School Campaign by challenges from outstanding Optimist Club members and school personnel who were members of the Stay-In School committee. Special emphasis was placed on how to go about this job and to build a strong conviction that the membership could do it. Mimeographed copies of direct appeals to youth to return to school were given to each member. The Army, Navy, and Air Force furnished the clubs with excellent stay-in school materials. This material presented strong arguments on why a youngster should stay in school and graduate.

The Stay-In-School teams began making their calls and visits. The Club membership worked on the project very enthusiastically. Reports on the progress of visitations were made each week at the club meetings.

Widespread Approach

As time went on, the "Opti-Mrs.," the ladies auxiliary of the Optimist Club, encouraged girls who dropped out of school to return.

While teams were being organized to visit both white and Negro youngsters who had dropped out of school, publicity for the Stay-In School campaign was being developed. Four hundred Stay-In School posters were distributed throughout the city and county and placed where all youngsters and parents would see them. The newspapers carried pictures and stories of the joint meetings of the Optimist and the School Stay-In School Committees. Prior to school opening, four local radio stations were presenting 20 and 30- second spots on Stay-In School campaign. Several nine-minute TV shows built around the Stay-In School idea were televised. Teen-age pages in both local newspapers carried interviews and pictures of high school student leaders encouraging students to stay in school. Student Councils of all schools in the city and county set up stay-in-school committees to work with youngsters who indicated they might drop out. Strong parent groups have been organized in some of these schools to aid the project. Outstanding business, industry, management, and labor leaders were contacted and invited to give their professional opinions on why youngsters should stay in school and graduate. The enthusiastic replies to these requests appeared as a feature in the local paper.

The visiting teams found the personal approach—the man to man approach to each youngster—was the best. The general feeling from school people was that a business or professional man or a tradesman or a man of a skilled occupation would be more effective in talking to these youngsters than a teacher or school person.

Why? Here's a person from the work-a-day world who has experienced what he is talking about. The school people were enthusiastic about having the Optimist Club membership as allies in working on the drop-out problem. Friendly persuasion and enthusiastic encouragement is more promising in getting young sters to return to school than a tighter set of attendance laws or more attendance officers to enforce the existing laws. Force may get them back in school but it would not motivate the youngsters to do a good job in school.

Most of the boys who dropped out of school did so to go to work to buy a car, and most of the girls to get married. Out of 159 youngsters whose names were given to the Optimist visiting teams in Durham, the Optimists encouraged 75 to return to school. In the county, 22 out of 60 returned to school after Optimist visits.

The Stay-In-School project will be an annual project with the Optimist Clubs of District 18. The membership of the Durham Optimist Clubs has voted unanimously to make this project an annual program. It will begin in August and end by the last of September. The program promises to be further expanded next year.

As Part Of Statewide Effort, Optimists Clubs Take Steps To Lower Number Of Students Leaving School

Graduates . . .

"future looks bright . . .

good money,

state needs technicians, skilled persons . . ."

"where're the jobs?"

Industry competes for top students,

job orders reflect demand for education."

Dropouts . . .

"what now?

chances slim,

retraining maybe?

labor force filling up with unskilled, untrained."

low income . . .

IORTH CAROLINA COLLEGES WILL

GRADUATE 9,000 STUDENTS IN 1962

"DROPOUTS"

BY DR. JAMES HILLMAN

State Department of Public Instruction
Secretary-Treasurer
N. C. College Conference

Speaking of North Carolina, Governor Charles Brantley Aycock said, "I would have all our people believe in the power to accomplish as much as can be done anywhere on earth by any people." Speaking of the individual he said it is the "royal right of every child born on earth to have the opportunity to burgeon out all there is within him." The report of the Commission of Goals for Higher Education in the South gives as the first of its five purposes, "To provide every individual with opportunity for maximum development of his abilities." In further implementation of that goal, it says, "In a democracy, the individual comes first—that a person's access to education be limited only by his ability and character."

The essence of the human element in education is the individual. Governor Aycock made that clear. The individual is central in the quotations from the report of the Commission of Goals for Higher Education in the South. It is with the individual that education must concern itself. It is the individual that makes education in this country different from that in many other countries. The question we should ask ourselves is whether we are practicing our philosophy of universal education which recognizes the place and importance of the individual.

The burden of what I am to say is that we are probably not. I offer as evidence (1) the high rate of dropouts from our elementary and secondary schools; (2) the high per cent of secondary school graduates who do not enter college; and (3) the lack of knowledge concerning those students who do enter college.

Dropouts in the Elementary and Secondary Schools

A recent issue of *State School Facts*, a publication of the State Department of Public Instruction, reports that of the white students who entered the first grade in 1949-50, 50 per cent completed high school 12 years later. For Negroes, 27.5 per cent finished high school. National figures say that about 2,500,000 of the 10,800,000 students enrolled in the ninth through twelfth grades will leave school before graduation. From the same source it is estimated that within the next few years the number of drop outs will reach 7,500,000. According to *Southern High Schools and Jobless Youth*, a publication of the Center for Southern Education Studies, George Peabody College for Teachers, Nashville, Tenn., 40 per cent of American youth do not complete a high school education.

These statistics constitute a large part of the human element in education.

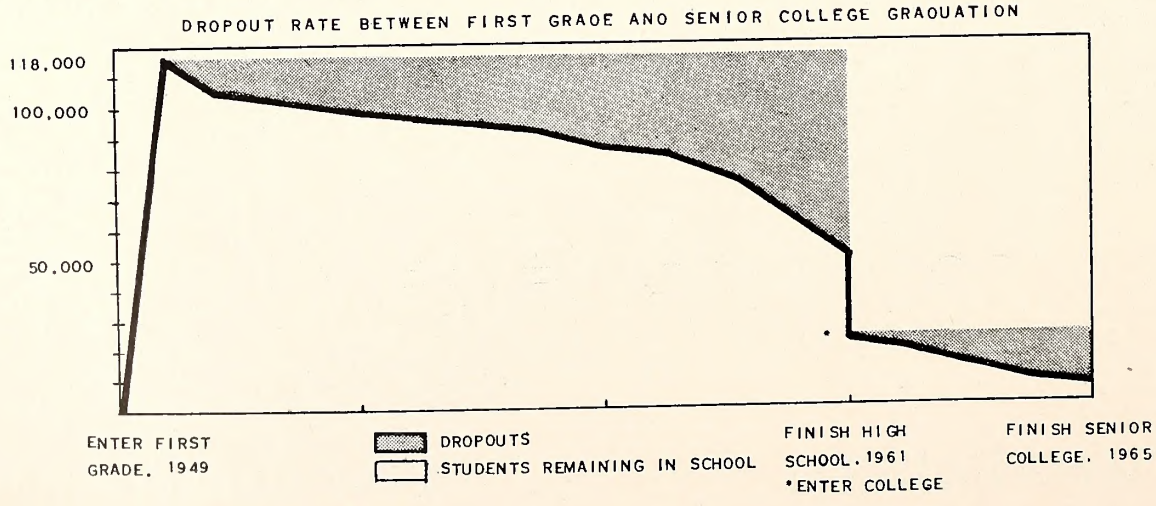
Does it matter? In 1960-61, unemployment of youth who had not graduated from high school was three times as frequent as that of the general labor force. These are the people, who, if they find employment, will be in the most menial jobs. Dr. James B. Conant, ex-president of Harvard University, has said: "A youth who has dropped out of school and has never had a fulltime job is not likely to become a constructive citizen of his community. Quite the contrary, as a frustrated individual, he is likely to be anti-social and rebellious and may well become a juvenile delinquent."

Can one measure the value to our society in economic wealth, civic responsibility, good citizenship and support of the democratic ideals with a reduction in the number of our youth who do not graduate from high school? How much more this value would be increased if along with a reduction in dropouts there is added a program of education to provide opportunity for acquiring employable skills! Enlightened self-interest as a state and as a nation requires the greatest possible concern about drop outs before high school graduation.

High School Graduates and College Enrollment

In the November, 1961, report of the Commission on Goals for Higher Education in the South, it was estimated that only 29 per cent of the Southern men and women of college age are actually enrolled in college. This is a composite figure of all races. Since high school graduation is one general prerequisite for college admission, a major factor controlling the number of college age population entering college is the number of high school age population graduating from high school. An increase in the number of high school graduates affords a potential increase i the number of college students.

Just as an increase in the number o high school graduates will increase th potential for college enrollments, any in crease in the percentage of high scho graduates who enter college will have similar affect. At this point, what is th score?



The "Follow-up Survey, North Carolina High School Graduates, 1961," from the State Department of Public Instruction reveals that 39.1 per cent of the 1961 white high school graduates enrolled in senior and junior colleges, fall of '61. From that graduating high school class, more boys enrolled in college than did girls, and almost 20 per cent more of the college enrollees came from city schools than from county schools. From Negro high schools 28.8 per cent of the 1961 graduates enrolled in senior and junior colleges, fall of '61. However, more Negro girls enrolled in colleges than did boys. Young Negroes from city schools who entered college out numbered those from county schools.

So, almost 61 per cent of the white 1961 high school graduates did not enroll in college, fall of '61. Seventy-one per cent of the young Negro graduates did not enter college. Not all of these youngsters terminated their education after high school because a few entered trade schools, business schools and schools for nursing.

We do not know how many young people should terminate their formal education after high school graduation. We can be certain that the present percentage is too high.

Dr. Dallas Herring, Chairman, State Board of Education, says that five per cent of those students who enter the first grade subsequently graduate from a four-year college. The President's Commission on Higher Education (1947) reported: "At least 49 per cent of our population has the mental ability to complete 14 years of schooling with a curriculum of general and vocational studies that should lead either to gainful employment or to further study at a more advanced level. At least 32 per cent of our population has the mental ability to complete an advanced liberal or specialized professional education."

According to this report, 32 per cent of our population might graduate from a four-year college instead of the present five per cent. In this connection it is interesting to know that the adult population of North Carolina has now achieved an educational level of only the ninth grade. We have a long way to go if each child is to "burgeon out all that there is within him." Educators must have an interest in and a concern for those who schooling might terminate with high school graduation.

Dropouts From College

There are two stages in the loss of students between first grade and college graduation. First, there are dropouts before graduation from high school. The second loss is the number of students who do not enter college after high school graduation. Remember the 61 per cent loss of white students and 71 per cent loss of Negro students? But it does not stop there.

What happens to those who do enter college? The publication, *Southern High Schools and Jobless Youth* says that of the 30 per cent of high school graduates who enter college, ten per cent drop out before completing the second year of college. "Our immediate concern about high school youth who will not attend college on a continuing basis," says the publication, "is a concern for four-fifths of American youth."

Let's bring the problem of college drop outs and withdrawals closer to home. Through a panel, the North Carolina College Conference made a study of drop outs under the heading of "Freshman Mortality" for the academic years 1955 through 1960. The study dealt only with freshmen students. Thirty-two senior colleges and 14 junior colleges participated in some aspects of the study. The following information, separately for junior and senior colleges, was obtained:

1. **Freshman enrollment and over-all dropouts.**
2. **Dropouts who were failing.**
3. **Admission requirements and drop outs.**
4. **Reasons for dropouts.**
5. **Test rank and dropouts, 1959-60.**
6. **Academic subjects failed and dropouts, 1959-60.**

Here are findings from this study:

Sixteen senior colleges and 12 junior colleges reported on freshman enrollment and drop outs, 1959-60. Senior colleges reported a freshman enrollment of 7,455 men and women. Dropouts average 23 per cent, with more men dropping out of school than women. Junior colleges reported an enrollment of 3,319 men and women. Again, dropouts averaged 23 per cent and more men left school than women.

Where academic records are known, 70.6 per cent of the 657 senior college freshmen dropouts in 1959-60 were failing one or more subjects. Three-hundred-and ninety-seven freshmen women dropouts were also recorded, and where the academic records were known, 49.1 per cent of this number were failing one or more subjects.

Junior colleges reported 557 freshman men and women dropouts in 1959-60. Of the men students, 53.1 per cent were failing one or more subjects, and 37.7 per cent of the women were failing one or more subjects.

Colleges are increasingly becoming more selective in their admission stand-

(Continued)

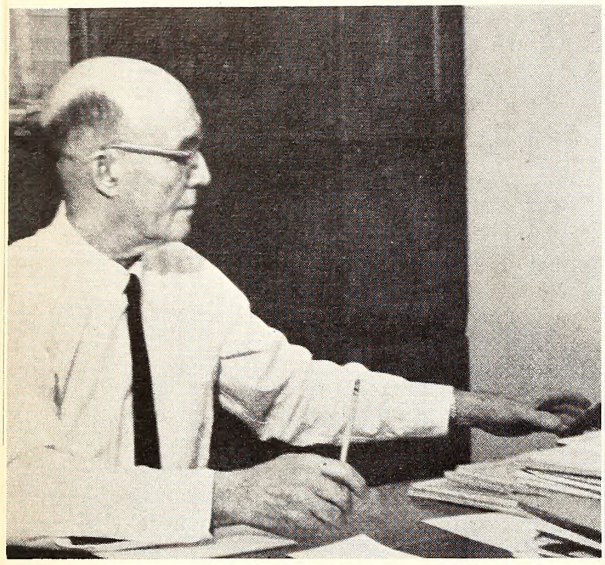
...challenge to education

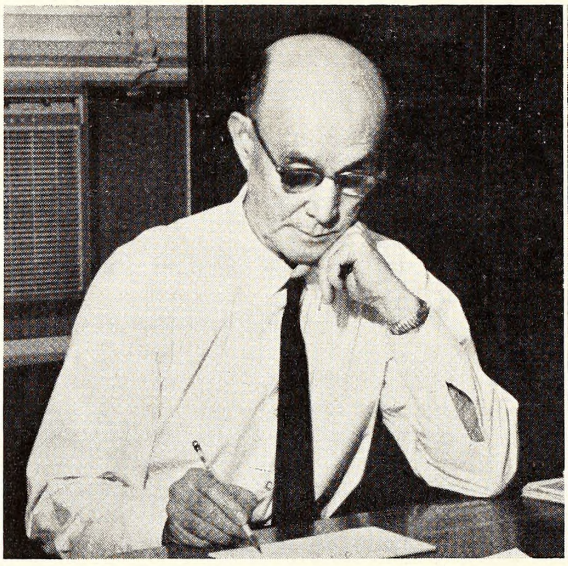
...employment predicament

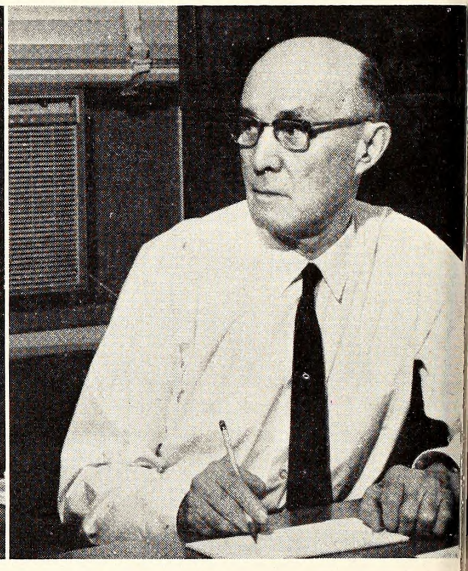
James E. Hillman, BA, AM, Ph.D. and former Dean of Education at Appalachian State Teachers College, joined the State Department of Public Instruction in 1923. Until 1959, Dr. Hillman headed the division responsible for teacher education and certification. During 195-61, he was Associate Director, N. C. State Board of Higher Education. Subsequently he joined the staff of the State Department of Public Instruction as Advisor in Teacher Education.

During his tenure with the Board of Higher Education, Dr. Hillman directed a two-year, state-wide study on teacher education. Two conferences were held in connection with this study and were participated in by all senior colleges which involved about 600 persons from colleges, public schools, lay and professional groups. A second major activity with the Board of Higher Education involved research on the Community College.

Since 1936, except for one year when he served as president, Dr. Hillman, has been Secretary-Treasurer of the North Carolina College Conference. Every year since 1923, he has served on various standing and special committees of the Conference, having been a member of the Committee on Standards since 1924. For 40 years, Dr. Hillman has been identified with higher education in the State, region, and nation. He is vitally concerned with North Carolina's school dropout rate and his article was prepared especially for the ESC Quarterly.







ards. Do these higher standards reduce academic failures? If not, what is the trouble?

In our "Freshman Mortality" study, some colleges reported on Test Rank and Drop Outs, 1959-60. General Aptitude, English and Mathematics tests reported on, as well as comparisons on dropouts for groups who scored in the fourth quarter, third quarter, and upper half of the year. There was not a great deal of difference in the number of dropouts from the three groups.

Colleges should know whether or not higher entrance standards reduce academic failures, but do they?

Main reasons for freshman dropouts from senior college are:

	Men	Women
Academic failure	48.4%	25.3%
Reasons unknown	20.7%	29.1%
Transfer to another college	9.1%	14.8%
Physical and mental health	3.6%	4.0%
Financial	1.6%	.7%

Junior colleges reported these reasons for dropouts or withdrawals:

	Men	Women
Academic failure	33.1%	23.6%
Transfer to another college	17.1%	20.1%
Reasons unknown	16.8%	5.0%
Take employment	6.0%	10.0%
Financial	4.6%	6.5%
Lack of scholastic aptitude	4.1%	6.5%
Lack of interest	3.3%	4.0%

One observation I would like to make. Why so many "reasons unknown?" Why should not the colleges know? How could they not know?

The State Board of Higher Education has made a study of undergraduate withdrawals, regular season 1960-61, in the 12 senior colleges. The colleges report a wide variation. Freshmen dropouts and withdrawals ranged from a low 18.8 per cent to a high 30.8 per cent. Average from all institutions was 48 per cent.

Biggest reason for dropouts and withdrawals, of course, was academic failure. "Reasons unknown" ranged from 0.1 per cent to a high of 44 per cent. It seems almost incredible that any institution would not know what had happened to 44 per cent—almost half—of the students whose absence from the institution was not due to graduation. Apparently, the human element does not occupy a proper place of importance.

Student mortality is always highest during the freshman year. Academic failure accounts for 19.2 per cent of all under-graduate dropouts. Surely, this should be an area of great concern to colleges.

Summarizing

Here is a summary. Introduce each statement with "why?"

1. Fifty per cent of the white children and 72 per cent of the Negro children dropped out of school before completing high school.

2. Thirty-nine per cent of white high school graduates and almost 29 per cent of Negro high school graduates entered college the following fall.

3. Freshman withdrawals from North Carolina public senior colleges in 1960-61 was almost 31 per cent of the total freshman enrollment. Dropouts ranged from a low 18 per cent to a high 48 per cent.

4. In public senior colleges, academic failure caused 19.2 per cent of all undergraduate withdrawals. Most of the academic failures came during the freshman and sophomore terms. Failures during the junior and senior classes were relatively small.

5. In public senior colleges, with an undergraduate enrollment of 11,194 students, there were 3,094 withdrawals for reasons unknown to the colleges. Does this have significance in terms of the institutions' concern for the individual?

6. About five per cent of those students who enter the first grade subsequently graduate from a senior college. In terms of mental ability, about 32 per cent of our first graders have the potential to complete college.

7. Twenty-three per cent of the freshman class dropped out of 16 senior and 12 junior colleges, 1959-60.

8. Academic failure accounted for over 48 per cent of dropouts among men students and more than 25 per cent from women students in ten senior colleges.

9. Academic failure was given as the reason for 33 per cent of dropouts among men and 23 per cent of dropouts among women from 12 junior colleges.

So, What?

What is the significance of these statistics? To me they mean that the individual is not "burgeoning out all that lies within him." They imply that education, at all levels, is not fully discharging its responsibility. To do this, educators will require greater positive concern and more active concern for the individual student. This concern must be evidenced through:

1. A follow-up by public schools on students under 18 years old who drop out before high school graduation.
2. A follow-up by public schools for one year on high school graduates.
3. A follow-up by colleges for one year on all students, dropouts, graduates and withdrawals. There is no known evidence that college officials are doing this at present.
4. A reduction of academic failures in college. The old saying, "You can lead a horse to water, but you can't make him drink" is not a safe criterion to be employed in determining academic failure. Something could be wrong with the water, and there are more ways than one to make a horse drink. In my judgment, only in rare cases should a freshman be disenrolled from college at the end of the first semester or quarter because of academic failure. If given a second chance, most of these students would make good. Furthermore, there would be no cost savings to the college because there would likely be no reduction in the faculty, even though enrollments are almost universally lower during the second semester than during the first.
5. A deliberate and conscious effort by schools and colleges to serve all individuals, including those who have dropped out and withdrawn as well as graduates.

Adult Education

There are promising signs of the recognition of the human element in education. Almost daily new opportunities for adult education are opening up. Elmo Roper, Editor at Large, *Saturday Review*, believes "only a patient and informed mind, only a mind which literally never stops growing, is prepared to contribute to modern democratic society. Never has there been so much to learn, unlearn, and relearn." Peter Drucker of the New York University graduate school of Business Administration, says "An abundant and increasing supply of highly educated people has become the absolute prerequisite of social and economic development in our world. It is rapidly becoming a condition for national survival."

"Each state should develop a strong and coordinated program of adult education as an integral part of its system of higher education, to offer a second chance for those who missed earlier opportunities, to provide technological retraining made necessary by automation and to provide refresher courses in nearly every profession."

—See DROPOUTS, Page 85—

Transition To Adulthood, Says Interviewer

Do Young People Want Jobs?

By Janet Goodson, *Raleigh ESC Office*

"Working for a living" will likely be the first step a young person takes in making the transition to adulthood, and this presents various problems.

Young people ask: (1) How can I find work? (2) How much money will be needed for financial independence? (3) Can I progress in a job to a point where income will permit enjoyment of financial security?

In the interest of determining how young people feel about employment and its problems, we adults must consider:

(1) Are young people sufficiently trained?
(2) What is their outlook on job possibilities?
(3) What "types" of work are they looking for?
(4) Are they willing to start at the bottom?
(5) Do they seriously want employment?

Training is given first consideration because it will influence answers to all of these questions. We are trained from birth in personal habits, character development, and at least some conformity to the rules of society. These types of training are accepted as necessary by the majority. Sometimes specific training in "How to earn a living" is overlooked.

Certainly more youngsters are completing high school today than ever before and most of them are sufficiently trained in the basic fundamentals of education to learn a type of work requiring no particular course of study. More persons are also completing college today, and this group is even more capable of obtaining employment as a result of training. Even those who do not complete high school can obtain specific skills by taking vocational training, which again increases the number who are sufficiently qualified to obtain employment.

Unrealistic Approach

A common factor found among all these groups, however, is the lack of a realistic approach in relating their training to the actual job situation. A lot of young people seem to miss the fact that "learning" does not cease when a specific kind of educational or skill training is completed. Training only permits entry into a field where experience will allow them to acquire the ability to perform a satisfactory job. Obtaining a job is a small task compared to that of putting training to work and the young person should realize that entering the working world is simply the entry into another school—a school in which more learning must be acquired if the worker is to progress.

The young person's outlook on job possibilities is partially founded on the training he has received. If successfully completed training was planned for specific type work such as teaching, retailing, carpentry or brick masonry, some information about possibilities of finding work in those categories may have been received in the course of study. If not, it may have been acquired through interest in and observance of others already employed in those fields. Some young people often limit their opportunities by an unwillingness to investigate any jobs except those directly in line with their education or training. They are often reluctant to accept work which will later require additional education as a prerequisite for progress in the job. In their eagerness to become self-supporting and to gain independence from parents, both trained and untrained groups often hurry into the first job offered with the mistaken result of fitting themselves into work which will meet only their immediate need for income and independence but will not offer much opportunity to progress after mastering beginning-level work.

Serious Misjudgment

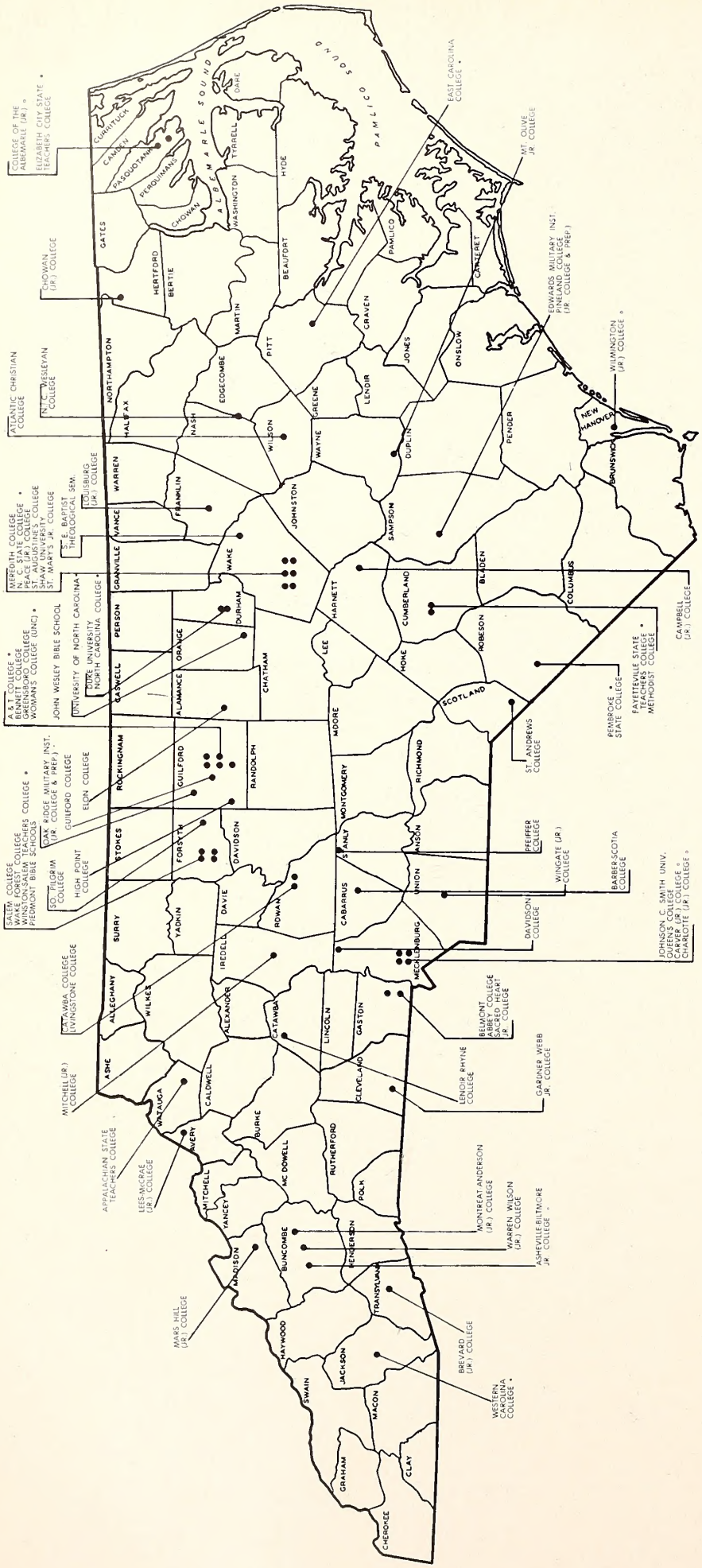
In regard to the types of work desired by young people, training again influences their choice. When particular training has been completed, most young people have decided upon the type work they will seek. To those without experience suitability and training appear to be synonymous, and this often causes serious misjudgment when deciding where to look for employment.

Types of workers are often divided into four groups by the young job seeker —laborer, office worker, business person and the professional. Depending upon their educational level, specific training or personal confidence, nearly all young persons will answer the question, "What type of work are you seeking?" by giving a categorized answer which falls directly into one of the four groups mentioned.

Generally, the majority of young job applicants expect to "start at the bottom," regardless of education or training received. This attitude is more prevalent, though, among those who are aware that they have much to learn on the job before becoming of real value to an employer. Job offers which outline a definite plan for salary increase and promotion are naturally more appealing than those which simply offer the opportunity for paid employment without indication of where and how soon one may expect to progress. A definite explanation of where they may expect to go in

—See JOBS WANTED, Page 85—

EDITORIAL



Any attempt here to evaluate education would be pretentious. Prepared academically and with their own aspirations, thousands of graduating young men and women enter North Carolina's labor market each year with professional intentions and careers ahead of them, their formal education complete.

But some evaluation can be made on employment possibilities. Can North Carolina employing units continue to offer renumerative positions to diplomaed young job seekers who increase by the thousands each summer?

Yes, apparently.

In preparation of the college section of the ESC QUARTERLY, officials of each North Carolina college and university, both private and public institutions, were asked: "What happens to your graduates?" From their replies it appears that graduates, particularly the top class members, have little difficulty in attaining employment, and the frenzy of employer recruitment practice on the campus indicates industry's desire for young talent.

College officials were also asked:

(1) Where do your graduates go?

(2) How many students do you have presently enrolled, and what is your expected 1972 enrollment?

(3) How many students drop out?

(4) How many students are from North Carolina and how many reside out of state?

(5) What degrees are offered and how many graduates actually take employment in fields relating to their degrees?

(6) How do they find jobs? How many remain in North Carolina and how many take employment out of state?

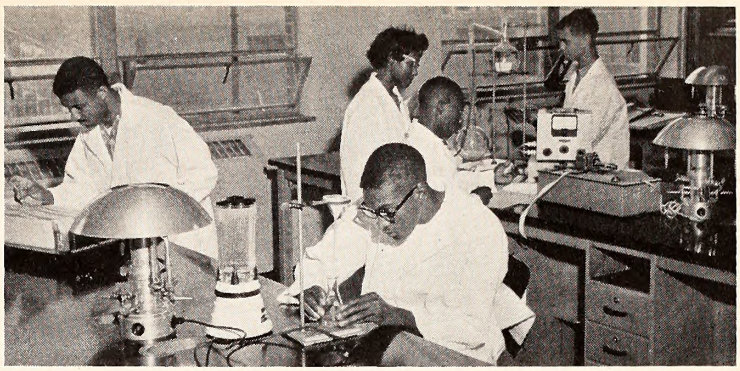
Fifty colleges and universities answered our request and their stories are printed on the following pages. Some college men pointed out that figures were only "estimates," certainly justifying their belief because certain information was not easily obtainable except, possibly, from some of the larger institutions.

The 50 schools answering our survey tallied a present enrollment of approximately 66,000 students and an expected 1972 enrollment of almost 100,000 persons. Estimates of college dropout averaged 22 percent of total enrollment and as expected, native North Carolinians enrolled in our State's colleges outnumber their out-of-state companions 3-to-1.

About twice the number of graduates take employment in North Carolina that find jobs out of State.

Job placement aid? Notable is that 18 percent more colleges have placement services available to students than not.

Numbers of colleges reported employment conditions "never better."



The F. D. Bluford Library at A&T College has been described by AMERICAN SCHOOL AND UNIVERSITY as one of the outstanding examples of new colleges libraries in the nation. The program in chemistry (right) encourages student majors to use after-class hours in some phases of basic research. These students are working on special projects with National Science Foundation support. A&T expects an enrollment of over 4000 students in 10 years.

Increasing Number of A. & T. Technical And Professional Graduates Leaving State for Jobs

By W. I. Morris, *Director of Placement*

The vast majority of graduates at The Agricultural and Technical College are North Carolina "born and raised" and prefer to remain in the state to follow their careers.

This has been the case for years, but lately a steadily increasing minority, especially those who have been trained in highly technical and professional fields like engineering, technology, and the sciences, are going elsewhere for employment. It is unfortunate that these graduates represent the biggest beginning earners and their talents are sorely needed at home.

Chief among the reasons for this migration are: (1) the limited number of employment offers which Negroes get for these types of jobs in the state, and (2) the efforts of a steady stream of recruiters, with contracts in hand, who come to the campus each spring to lure these bright young minds away from North Carolina.

This fact can be attested by still small, but growing, colonies of A. & T. alumni which are building up in such centers as New York City, Philadelphia, Buffalo, Cleveland, Seattle, San Diego and Los Angeles, and several points in New Jersey.

There is a "warming" trend of inquiries about A. & T. engineering graduates by North Carolina industrial firms, and several are being employed within the state each year, but these latter cases are generally the exception rather than the rule. Right now, A. & T. trained engineers are performing satisfactorily in big industrial plants in Burlington, Winston-Salem, and Charlotte and at several smaller and private engineering firms about the state. Personnel executives speak highly of A. &. T. engineers.

To bear out the general situation of A. &. T. graduates, a study conducted last spring by the Negro Land Grant Colleges in cooperation with the Tennessee Valley Authority, shows that 87.9 per cent of A. & T. graduates during the past 10 years are still in North Carolina following their careers. This average exceeded the records of Virginia, Kentucky, Tennessee, Mississippi and Georgia. Graduates of Alabama land grant colleges bettered A. & T.'s record, but by only a few percentage points.

What happens to the A. & T. graduate? Approximately 75 per cent of the graduation class remains right here in North Carolina to enter the teaching profession primarily, and such other pursuits as nursing, agricultural extension work and specialists, tradesmen, accountants, social workers and an increasing number choose to continue graduate studies.

Better than 10 per cent of the class is required to fulfill military obligations under the college's ROTC programs for the Army and Air Force.

The remaining group of less than 15 per cent leave the state for work elsewhere.

A. & T. College has a current enrollment of 2,732 students of which 2,239 are native-born North Carolinians and the remaining 493 come from other states and foreign countries. This latter group composes 18 per cent of the student body. The current growth of the college indicates that the enrollment should increase to more than 4,000 within the next 10 years.

Bachelor of Science degrees may be received in agriculture, natural sciences, architectural, mechanical and electrical engineering, physics, mathematics, teacher training in 14 fields for the secondary school level, nursing, business, fine arts, industrial arts and home economics. The college's Technical Institute also provides two-year college level courses in 15 different trade areas. Master of Science degrees in Education, Agricultural Education and Industrial Education are also part of the college's offerings.

Practically all of the graduates are able to find employment, and do work in fields, or related fields, for which they are trained at A. & T. College, Greensboro, North Carolina.

TEACHERS EXCLUSIVELY AT APPALACHIAN

By Larry Penland, *ASTC News Bureau*

Approximately 88 per cent of the students who graduated at Appalachian State Teachers College last year entered the teaching profession, with 71 per cent of these teaching in North Carolina, according to Dr. W. H. Plemmons, president at Appalachian.

All Appalachian graduates are certified to teach. About 90 per cent of the graduates find positions through the placement office. The majority of the students register with the placement office prior to their final quarter at Appalachian.

Robert Randall, placement office director, said that 389 candidates for the BS degree (only undergraduate degree offered) registered with the placement office last year. Of these, 103 registered for elementary school positions and 286 registered for secondary school positions.

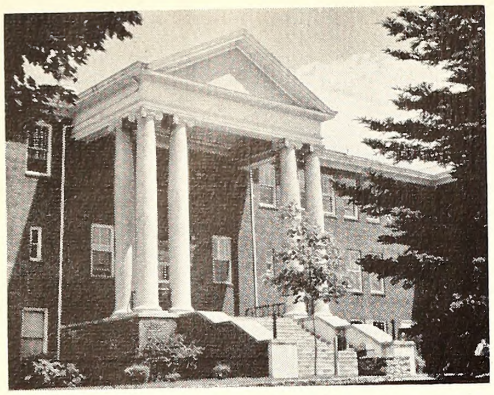
In the registration of masters degree candidates (only graduate degree offered), 36 were for elementary school positions, 101 for secondary school positions, 20 were for administrative or supervisory positions, 38 were for junior and senior college teaching positions, and two for commerce or industry.

Twice as many requests are received at Appalachian for elementary teachers as for high school and all other fields. In spite of this, twice as many students prepare for secondary positions. The trend is turning toward more elementary majors with this year's sophomore class.

The placement office director received requests for 2,626 candidates for positions in teaching, business, industry, government, and social service agencies. The placement office could supply only 22 per cent of the requests. It received 1,430 requests for elementary teachers, but could supply only 103. His office supplied 387 of the 786 requests for secondary teachers.

Randall received requests for teachers from 22 states and four foreign countries. Recruiting was most vigorous in Feb-

(Continued)



APPALACHIAN'S ADMINISTRATION BUILDING

ruary, March, and April with 60 interview teams visiting the campus at Boone.

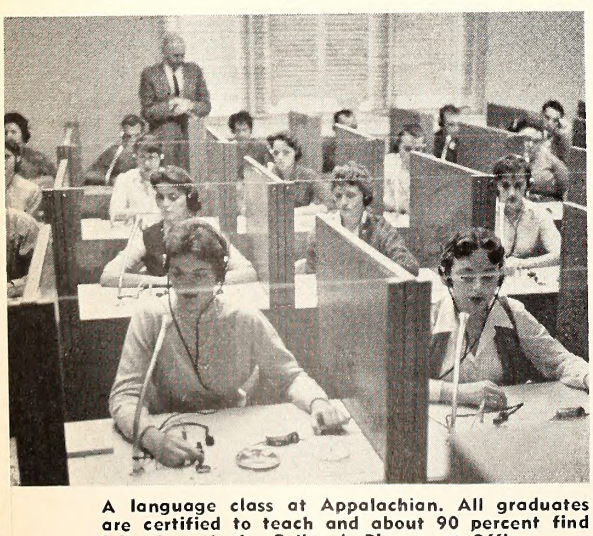
Eighty-five per cent of the elementary majors are teaching in North Carolina, 12 per cent are teaching out-of-state, and three per cent entered graduate school or homemaking.

Fifty-two per cent of the secondary education majors are teaching in North Carolina, 15 per cent are teaching out-of-state, 13 per cent are employed in North Carolina industries, eight per cent entered graduate school, and 12 per cent entered military service or became homemakers.

The majority of the graduate students taking classes at Appalachian are already employed. One hundred-thirty-seven are teaching in North Carolina, 48 are teaching out-of-state, one is in service, and one is a homemaker.

The bulk of the graduates are employed in the Piedmont area. Scattered over 51 counties, the largest number of graduates are teaching in Mecklenburg, Wilkes, Cabarrus, Davidson, Gaston, Iredell, Surry, Caldwell, and Guilford counties.

Dr. Cratis D. Williams, director of graduate studies, assists the placement office by sending out an annual circular on all MA candidates who are available for teaching positions. This circular is mailed to all colleges in the South. Williams said that for the past four years Appalachian has been granting more MA degrees than any other college in North Carolina with the exception of the University of North Carolina.



A language class at Appalachian. All graduates are certified to teach and about 90 percent find jobs through the College's Placement Office.

Appalachian is the only one of three original state teachers colleges for white students in North Carolina still devoting its efforts exclusively to preparing teachers.

Located on the crest of the Blue Ridge Mountains in Boone, a resort and farming center with a population of 5,000 people, Appalachian is an outgrowth of Watauga Academy, a private school established by two brothers, D. D. Dougherty and B. B. Dougherty, in 1899. Appalachian Training School for Teachers was chartered in 1903 as a state institution. Three presidents have served the college since it was organized, Drs. B. B. Dougherty, J. D. Rankin, and W. H. Plemmons.

Appalachian's aim is the education of future teachers, principals, supervisors, superintendents, and other school personnel for the state of North Carolina, and to offer further education and service to such personnel as are already in the profession.

The college is literally "bursting at the seams" with an all-time high enrollment of 2,661 resident students. Added to this number are 236 Saturday students and 194 extension students for a total of 3,091. Rooms designed for two students are now accommodating three with 1,666 students residing on the campus. An additional 1,000 students are commuting or living in private homes in the community. Since 1955, the enrollment has increased from 1,546.

Herman R. Eggers, Appalachian registrar, believes that in the next decade the enrollment will soar to around 5,100. During recent years the enrollment has run about 175 more annually than that projected by college officials.

With a faculty of 154 members, 136 full-time, Appalachian has an unusually large number of top-notch professors that are second to none in the state. Many of the classes at Appalachian are large, with 100 students in some of the classes.

Dr. D. J. Whitener, dean of the college, said that of all the four-year state colleges in North Carolina, Appalachian has the largest percentage of North Carolina students enrolled, with only 4.8 per cent of the enrollment from out-of-state.

Appalachian draws students from nearly every county in the state. To be eligible to apply to the college, a student must be a graduate of a standard high school, in the upper three fourths of his class, recommended by his principal, and must take the college board examination.

Every student who seeks an education at Appalachian is given every opportunity to prove himself. The college makes no attempt to deliberately "weed" out the poor students, but exerts every reasonable effort to assist the student to achieve success in his college work.

At the end of the fall quarter last year 233 students were placed on academic probation. Thirty-five freshmen and 25 upperclassmen did not seek to reregister. During the fall quarter 40 freshmen and 16 upperclassmen officially withdrew from the college.

Dropouts at Appalachian amount to something like eight to ten per cent. These occur for various reasons, including academic ineligibility, doctor's advice, marriage, military service, transfer to another institution, homesickness, dissatisfaction, illness at home, behind in class work, not adjusted to college, and lack of finances.

Day And Night Classes Offered At Community College

Asheville-Biltmore is a community college offering two-year programs in university parallel work and certain terminal curricula. A night school program for adults is also offered. Special courses tailored to the needs of business, industry and community agencies are also offered. For example, special classes are organized for student nurses from the Memorial Hospital School of Nursing in science and social studies; a great variety of courses in mathematics and meteorology are offered to personnel of the National Weather Records Center for the American Enka Corporation such courses as Nylon Processing, Rayon Processing, Fabric Processing, Personnel Administration and Statistical Quality Control have been offered.

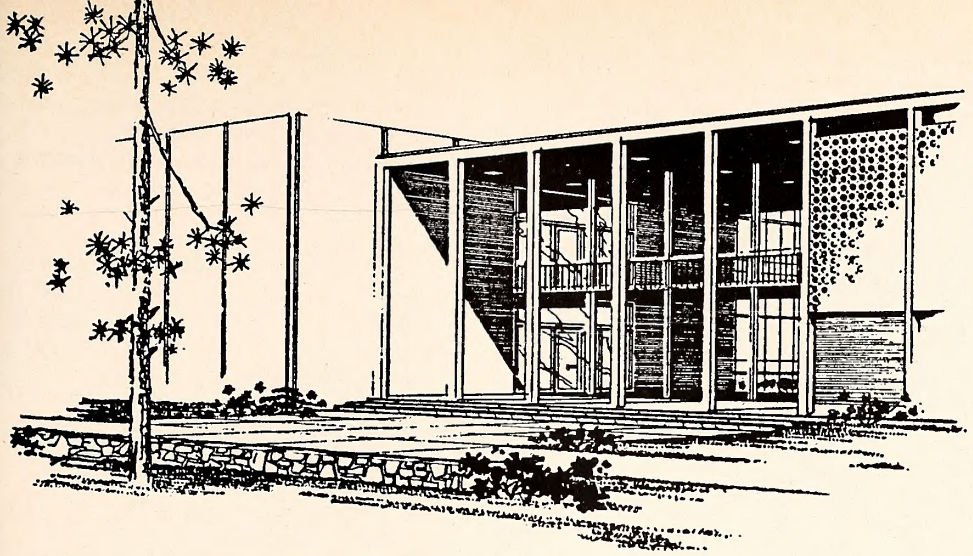
Last fall, we enrolled 484 students, of which 331 were attending day classes. About 99 per cent of these are from North Carolina. Since this is a community college without dormitories, the overwhelming majority of our students come from Buncombe County with others commuting from the surrounding counties.

Our dropouts this year totaled about 175, including night school where the dropout rate is much higher. From [illegible] to 70 per cent of our graduates go on to senior colleges and universities. We do not have a good follow-up service on our graduates, particularly on those who complete senior college and university work. Of course a large majority of our students who complete terminal courses take positions in this area.

We also have a great many of our graduates who have attained degrees and who have completed various professional schools. These are in many fields—engineering, architecture, medicine, dentistry, law, the ministry, education, business, industry, and public service. Our Congressman, Roy A. Taylor, is a graduate of this institution. We have a placement bureau for placing students locally. . . . **Glenn L. Bushey, President.**

ATLANTIC CHRISTIAN COLLE

See Page 38



ASHEVILLE-BILTMORE COLLEGE, ASHEVILLE, N. C.

BELMONT ABBEY COLLEGE

Records concerning Belmont-Abbey graduates are incomplete at the present time, but the alumni office has furnished the following general statistics: Of the 384 graduates of this college since 1954, when the liberal arts degree was first granted, 16 percent have gone on to numerous universities for further study; 17 percent are engaged in teaching, among whom are eight who now serve as public school principals; 8 percent have entered training for other specific professions, such as law, medicine, etc.; three percent of the graduates pursued engineering on Belmont-Abbey's double-degree program; and 56 percent undertook career jobs immediately upon graduation.

BARBER SCOTIA COLLEGE

See Page 38

BENNETT COLLEGE

See Page 38

BREVARD COLLEGE

See Page 38

CAMPBELL COLLEGE

See Page 38

CHOWAN COLLEGE

See Page 38

Catawba College Lists "10-12 Job Offers" Per Grad

DAVID SETZER
Director, Public Relations

During the last several years, Catawba College has annually graduated an average of 125 young men and women who had been exposed to over 1200 job opportunities before the "sheepskin" was in their hands.

It is a fact that graduates of Catawba are sought after by commerce and education alike for their preparation at this Salisbury college enables them to enter the competitive world utilizing a minimum period of adjustment and becoming an asset to their employer within a brief span of time.

Catawba College is a coeducational, four-year, fully-accredited liberal arts institution with a total enrollment of 940. It is church-related, being associated with the Evangelical and Reformed Church (United Church of Christ). One degree is offered, the Bachelor of Arts.

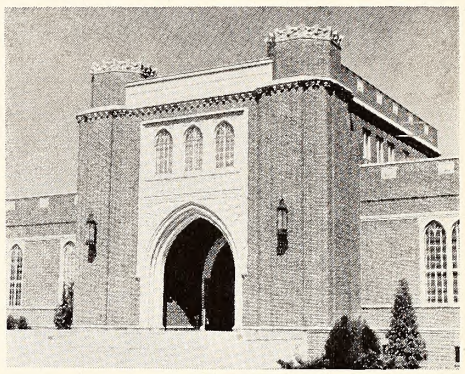
The enrollment figure of 940 includes students enrolled in the school's Evening Division, nurses training and School of Music. A straight grouping of students, freshmen through senior, including some in the "unclassified" category, presents a figure of 855. The Catawba Board of Trustees have established a goal of 1,000 students in this grouping, representing a planned increase of 145 students during the coming years. The 1,000 ceiling exists because Catawba has been geared and programmed for a small college and will remain one. The ceiling does not affect students in night school, nursing or music.

Presently there are some 140 in the senior class. Class size has been steadily increasing through the years and the figure of 125 graduating each year is, at best, low, but a safe and workable statistic. In regard to dropouts, some 25 from the entire school left the campus during the past Fall semester.

Catawba's seniors enter a variety of professions. The majority of Catawba graduates move into industry, government and teaching, with civil service employment with the Federal government leading the list. This trend has developed during the last three or four years. Graduates in accounting, particularly, have been securing Federal jobs.

Catawba is also well known as the source for a large number of pre-ministerial students of many denominations, including, of course, the E & R church.

One large factor affecting the employment situation has been military service. Some firms will not discuss employment with a graduate until his military obligation has been fulfilled, with the reverse being true of other businesses.



CATAWBA COLLEGE LIBRARY

Enviable Position

Catawba has been in the enviable position in the last few years of having considerably more job opportunities than there were graduates to fill them. It has been averaging from ten to 12 opportunities per graduate during the last eight years. With the changes being wrought in the business world, the labor market for the college graduate has been steadily increasing. Automation may have reduced labor in one area, but the demand in others has been stepped up.

What causes this "attractiveness" of Catawba graduates? It lies in the basic approach to education that is practiced at Catawba—a broad liberal arts curriculum, especially in the first two years of study, with a settling down to major fields during the junior and senior years. It is a "general as opposed to specialized approach to job responsibility."

As Millard F. Wilson, chairman of the Commerce Department at Catawba and director of the school's placement service puts it, "we do not develop the one-eyed specialist, but the generalist. . . . providing a liberal base on which to make a career decision."

Catawba's purpose and function has been stated many times in different ways but possibly never as succinctly as Mr. Wilson when he declared that it was "to develop leaders rather than technicians." He went on to say that, of course, technicians are needed, but their preparation was left to institutions with that in mind,

(Continued)

while Catawba's was for "creativity and quality of leadership."

Business and education interests in North Carolina have received a substantial number of Catawba students and illustrate the stated thesis that Catawba graduates are in demand. In accounting, for example, Catawbans are allowed to sit for the Certified Public Accountant examination without having accounting experience in the field.

Hand Finished Product

In education, there are two large, metropolitan school systems in the state that visit the Catawba campus "first" in their search for teachers. Their past experience has taught them that the advantages of small classes, a close teacher-student relationship, etc., has produced a "hand-finished product" rather than a "machined" one.

Catawba's enrollment finds, as would be expected, the majority of students (552) from North Carolina. Next in number is Pennsylvania with 153 followed by New Jersey with 41, Maryland-25, Virginia-24, Connecticut and New York with 13 each. There are 29 students from varied other states.

Five foreign countries—Brazil, Indonesia, Holland, Honduras and Laos—are each represented by one student at Catawba. All of this totals to 855. The larger enrollment figure of 940 is reached with the addition of night school, music and nursing students, all North Carolinians, and numbering 85.

Job Placement

Catawba employs a continual program of job recruitment for its graduates. Through the placement service, visitations of industrial and educational representatives are arranged on a regular basis. During February through April, 1962, there were over 50 visits by business "recruiters" to Catawba campus. A three-day educational visitation is being planned for May.

After job selection and hiring, the majority of Catawba graduates remain in North Carolina, entering the labor market. Overall, Catawba alumni are to be found in all 50 states and in 14 foreign countries. Over 90 per cent are working in fields relating to their degrees.

For some 75 returned questionnaires on the location and career of the 1961 class, it was revealed that 35 are now teaching, 11 in graduate study, 16 in various types of business, one in dental school, one in medical school and the remainder either in military service or married and out of the active employment picture.

Places of Responsibility

Catawba graduates are scattered far and wide, but North Carolina has retained some 70 per cent of them, or roughly 3,500, they are to be found in places of responsibility, be it large or small. Being a small college, Catawba has not supplied graduates by the thousands, but its hundreds have been an elite group as the records will bear out.

Charlotte College's science-engineering building (left) and liberal arts building. Over 900 students registered at Charlotte College during the fall, and only 19 were from out of North Carolina.

Charlotte College

"Most Rapidly Growing In State"

MONA POTTER, *Public Relations Coordinator*

During the fifteen years that Charlotte College has served the Charlotte commuting area, it has made a significant contribution to the economic progress of the area. Thousands of students have participated in the program of the college by enrolling in the university parallel curricula, the terminal program, or in adult education classes. Over 500 students have graduated from this community college. Seventy per cent of these graduates enrolled in senior colleges. Most chose to continue their education in colleges and universities in this state. Other graduates have sought immediate employment after completing the terminal program of the college. The employment opportunities are so numerous and attractive that most of the graduates in the terminal program remain in the Piedmont. Students who obtain degrees from senior institutions usually return to this metropolitan area.

Charlotte College awards the Associate in Arts degree to students who successfully complete the two-year program. Students may enroll in either the university parallel or terminal programs. The university parallel curricula include liberal arts, business administration, pre-professional courses, and several phases of engineering—electrical, chemical, geological, civil, and mechanical. In the terminal curricula, business administration and accounting, secretarial science, and courses in mechanical, electrical, and civil technology are offered. Courses to meet specific needs are frequently arranged by the College. Classes have recently been offered in dental assisting, banking, reading improvement, management, and engineers' review.

Over 900 students enrolled in the fall semester at Charlotte College. Only 14 students were residents of other states; thus, this community college fulfills the role of serving the people of North Carolina. During the past six years, the enrollment at Charlotte College has increased by 247 per cent, making it the most rapidly growing college in the state. Since 23 per cent of the high school graduates in North Carolina live within the commuting distance of Charlotte College, its phenomenal growth is apparently a demonstration of the fact that more high school graduates will attend college if it is easily accessible and within their means. Educational consultants predict that between 4000 and 6000 students will be enrolled in Charlotte College in 1970 if it becomes a publicly supported four-year institution.

Most of the students at Charlotte College are employed in part-time or full-time jobs while attending college. The Director of Student Personnel assists students in obtaining employment. An effort is made to place students in jobs that are related to their major interests; thus, a journalism student will be found working at a local newspaper, an engineering student with an engineering firm, and a prospective teacher will be employed as a teacher's assistant. Sometimes students without definite plans choose their careers as a result of their part-time employment experiences. Often Charlotte College students are so successful in their part-time employment that their employers offer them full-time positions when they graduate. In a number of instances, students have been encouraged to continue their education at senior institutions and have returned to Charlotte for good positions with their former employers.

In the past ten years, there has been a 100 per cent increase in the number of jobs in Charlotte requiring a college degree. Charlotte College is undoubtedly helping to meet this need. Former students who would not have been able to obtain a college education without this local college are now serving the community as lawyers, engineers, teachers, chemists, bankers, doctors, and businessmen and women. The great interest that local industries have in the development of the college proves that they value the contributions made by the college in the past, and that they have expectations for even greater benefits as the college is expanded to serve more students.

BIG BUSINESS AVERAGES $5,100 SALARY TO DAVIDSON GRADUATES

Davidson College News Bureau

The great majority of Davidson College graduates become professional men, and whether or not they leave the state depends on the universities of their post graduate studies.

Surveys conducted by the college since 1956 show that approximately 60 per cent of recent graduating classes have gone directly from Davidson to other institutions for master's and doctor's degrees.

In 1961 Davidson sent 41 Tar Heels and nine of its out-of-state graduates to North Carolina universities for post graduate study. But 26 native North Carolinians went out of state from Davidson to graduate schools along with 54 out-of-state Davidson men.

Another twenty-five per cent of Davidson's graduates go directly into the military service for a two-four year tour of active duty to fulfill their military obligation. Most enter as commissioned officers through the school's ROTC program. Of this group better than half indicate that they intend to undertake graduate professional studies once released from the service.

About 15 per cent of the school's graduates accept positions immediately in business. The study of the class of 1961 shows that nearly all North Carolinians in this group remain in North Carolina. Of the 12 graduates who went to employment outside the state, only one was from North Carolina.

On the other hand, of the 12 who remained in the state three came from other states.

C. Shaw Smith, director of Davidson's student placement, says, however, that North Carolina businesses generally cannot take credit for any tendency of North Carolina students to stay in the state.

At least studies from his office show that 74 of the 99 companies seeking to employ Davidson students in the past two years would most likely have taken the graduate out of the state.

"But interest is increasing on the part of North Carolina business firms in our graduates," Mr. Smith adds.

The large North Carolina banking firms are leading the way, followed by the large textile and tobacco industries. As yet the furniture industry has manifested only slight concern.

Most conspicuous by their absence from the group who seek Davidson graduates are the small businesses of the state, businesses that employ less than 500 and operate from only one location.

"It's not that small businesses could not compete for our graduates," Mr. Smith says. "We have boys who are very interested in the opportunity offered by the smaller concern. We have as many who value the chance to grow up with a business and move rapidly into heavy responsibility as we have boys interested in the security of a larger firm, but the former group just don't get the chance to know the smaller firms."

Mr. Smith goes on to say that the "recruiting game" is now going in favor of the big firms. "Big businesses first of all admit they need capable young men to keep them going in the future, and then they go out to get them."

The average salary offered at Davidson last year by big businesses was $5,150. The firms sent advance notice that they would be on the campus. They came with attractive brochures and usually with the home office representative was an executive from the nearest branch office in the State.

"But the small business has at least one big advantage," says Mr. Smith. The small business executive can use a much more personal approach in finding the man he needs.

General suggestions by Mr. Smith for establishing closer working relationships between North Carolina colleges and North Carolina business firms include:

1. Business men, especially the small business executive, must realize what the college graduate of today can contribute to the future of their organization. Then they must understand that the best men are being recruited and recruited hard from dozens of different directions.

Ninety-nine companies conducted 750 interviews with 74 students at Davidson in the past two years. The effort produced 12 employes.

2. The best approach to recruiting the best man is to develop a personal relationship with the college.

3. When talking with the graduate, do not oversell the firm. "Contrary to popular belief, college men aren't looking for the guaranteed future. They want to associate with a firm which admits its position and which spells out exactly the opportunity offered in improving the company's position."

4. Begin contacting the student early. Perhaps even in the junior year. Get to know him. Make him a definite offer and expect a definite yes or no soon after the offer is made. This would clear up one of the big headaches in placement. Students seem to like to get lots of offers and keep them dangling. To require an early decision would let them know sooner that business "means business."

Going to the college campus to get the man you want may not have been the way of doing business in the past, but it's the way things are now, Mr. Smith concludes.

Yes, it builds the graduates' ego momentarily to know he is in demand, but six months in the business world is enough to set him back to normal.

"Nearly every graduate I have talked with after he was recruited has felt quickly that he was not living up to the expectations of the firm he joined. (The firm was in most cases highly pleased and the young man moved up rapidly.) This, I feel," adds Mr. Smith, "is an indication of how fast graduates realize that in the world of business success they must really produce to make it. They settle down and do just that."

Albemarle College Will Award First AA Degrees In 1963

College of The Albemarle, established under the Legislative Act of 1957 known as "The Community College Act," strives to serve the community by providing for young people and adults education for cultural development, for responsible citizenship, and for enriched personal living. The major aims of the College are to prepare students for admission to senior colleges or universities, to prepare them for vocational competency, to help them adjust to the complexities of modern living.

The College opened in September, 1961, with a freshman class of 115 students. In the school year '62-63, a full two-year program will be offered, and 225 students are expected. By 1972 the enrollment in the two-year school is anticipated at 400 students, unless dormitories are constructed by that time.

Approximately 10 per cent of College of The Albemarle students have dropped out during this first year of operation, but this is not a true picture of what the future drop-out rate will be.

All but two of the present student body are residents of North Carolina. Very little increase in out-of-state students is expected.

College of The Albemarle gives the "Associate of Arts" degree after completion of 64 semester hours of work. No degrees will be given until June, 1963.

The College assists students in securing part-time or full-time employment during their enrollment at College of The Albemarle and gives special attention to the placement of students who graduate in the terminal curricula.—**C. Robert Benson, President.**

DUKE REPORTS A "SELLERS' MARKET FOR THE NEW COLLEGE GRADUATE THESE DAYS"

BILL STRAWN, *Assistant Director, Bureau of Public Information*

Duke University, which carefully selects its students from most states of the Union and many foreign countries, at each commencement sends forth a large corps of graduates trained in many fields.

At the last commencement, for example, Duke President Dr. Deryl Hart awarded 21 different degrees. These ranged from the bachelor's to the doctoral degree in diverse fields. Graduates totaled more than 1,100.

In view of the varied geographical backgrounds of its students, a surprisingly large number elect to pursue their chosen professions in North Carolina.

About 25 per cent of Duke University's students come from this state. However, 42 per cent of those entering some phase of the commercial world remain in North Carolina. In the teaching field, the number choosing to stay in North Carolina is somewhat smaller—30 per cent. At least, those are current percentages.

The employment pattern of this academic year's student body isn't likely to vary drastically from that of the last few years, barring a war involving this country or a major economic upheaval, neither of which is expected.

Currently, 6,122 students are enrolled at Duke, and the annual dropout rate averages only eight per cent.

Of the total enrollment, 1,525 are from North Carolina. The remainder come from nearly all of the other states, plus countries on every continent.

By the year 1972, the University estimates that its student body will number 7,000, according to William L. Brinkley Jr., director of undergraduate admissions. Most of that increase will come at the graduate, rather than the undergraduate, level.

To illustrate the many types of employment chosen by Duke graduates, here are some of the fields entered by last year's graduates: accounting, advertising, banking, chemistry, engineering, forestry, governmental work, insurance, management, market research, mathematics, merchandising, sales and secretarial work, industry, U. S. Peace Corps, and teaching.

As an indication of the widely separated places in which those entering the same field locate, here are some of the places to which graduates entering banking went: Charlotte, Rocky Mount, Winston-Salem, Raleigh, Greensboro and Durham in North Carolina; New York City; San Francisco; Richmond, Va.; Atlanta, Ga.; Cleveland, Ohio and Chattanooga, Tenn.

Even more wide spread geographically are the cities in which engineering graduates located. The same is true of teaching. Graduates entering these two fields also included some who located in foreign countries, including Canada, Venezuela and The Bahamas.

The majority of graduates obtain their jobs through the Duke Appointments Office, headed by Miss Fannie Y. Mitchell. A dynamic, forceful woman, Miss Mitchell has traveled extensively both in the United States and abroad, and her business and social contacts are many—a decided asset in her position.

An industrial representative interviews a Duke University student concerning employment after graduation. At last commencement, the University awarded 21 different degrees to more than 1,100 graduates. The majority of graduates obtained jobs through the Duke Placement Office, others through personal contact, and some, with the assistance of professors.

DUKE UNIVERSITY SCHOOL OF MEDICINE

Then, too, many business companies, including some of the nation's largest, regularly send representatives to the Duke campus to interview students and obtain data on their collegiate records. This is handled by Miss Mitchell's office.

Some of the students obtain employment in other ways. For example, some get located through the assistance of a professor. Others obtain employment through their own personal contacts.

—See DUKE UNIVERSITY, Page 73—

EAST CAROLINA EXPECTS 9,000 STUDENTS BY '72

MARY H. GREEN
News Bureau Director

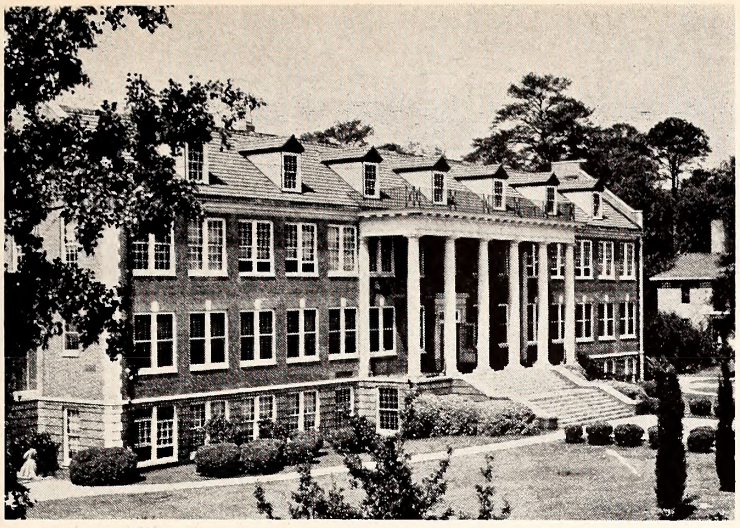
East Carolina College was founded in 1907 to train teachers for the public schools of North Carolina. Though it now offers training in several other areas, it continues in its present program to emphasize this original purpose.

In September, 1961, for example, 5263 men and women, 4639 of them North Carolinians, registered as students in courses taught on the campus. Of these 3544 were taking either undergraduate or graduate work preparing them for careers in education.

What happens to East Carolina students after graduation? Though contact with some of them is lost, mainly because they find employment themselves or through other agencies, records in the Placement Office give information on the activities and whereabouts of many others.

Take, for example, data from the office on 563 of 1017 graduates of 1960-1961 who by October 1, 1961, had reported that they were employed. The report is generally representative of what East Carolina's alumni do after they leave the campus.

Approximately 69 percent of the 563 graduates reporting were teachers. Employed in schools in 88 counties of North Carolina were 255 men and women—in elementary schools, 109, in secondary schools, 141, and in colleges, five.



Flanagan Building, headquarters of the Science, Home Economics, and the Industrial Arts departments, is now getting a new wing to provide space for classrooms and other physical facilities needed because of the rapidly increasing number of students . . . predicted at 9,000 in the next 10 years.

Each year East Carolina sponsors art exhibits by students and faculty members and shows on loan from various art schools and museums. For the past two years traveling exhibitions by students and faculty members at the college have been hung in several Eastern North Carolina communities.

Teaching in other states were 48 in elementary schools, 80 in secondary schools, and three in colleges, a total of 131.

In contrast, those working in non-teaching occupations totaled 105, of whom 72 were employed in North Carolina and 33 in other states.

Evidence indicates, therefore, that most East Carolina graduates at least begin their careers by teaching in this state.

Additional information in the report accounts for others among the 563 graduates: 16 in military service, 19 beginning further college training, 14 housewives, 14 applicants for teaching positions, and nine applicants for non-teaching positions.

As might be expected most liberal arts graduates enter other fields than teaching. Of 48 AB graduates of 1960-1961 who had reported their employment to the Placement Office on September 1, 1961, only three held school positions.

The same report shows that out of 435 graduates trained to teach, only 48 entered other fields.

Practically all graduates with master's degrees who reported had positions in schools or colleges as of September 1, 1961. Forty-one out of 48 were so employed.

As new emphases and new areas of instruction in public schools have developed, East Carolina's purpose has been to make available personnel trained to meet new demands. In recent years addition of the Department of Industrial Arts, rapid growth of the Departments of Art and of Music, and courses offered in the Department of Education for specialists in speech and hearing are among evidences of continuing service and accomplishment.

The School of Business, with 1232 students enrolled in the fall quarter, is larger than any of the departments of instruction and is providing trained personnel not only in education but also in business in the state.

The four-year School of Nursing, now in its second year, is meeting a serious need in another area. Enrollment in the fall quarter was 72 freshmen and sophomores.

Predictions are that by 1972 there will be 9,000 students enrolled at East Carolina. This estimate is dependent on a number of factors. Unless more teachers, new dormitories, more classrooms, laboratories, and cafeterias, and additions to the library are provided the college will probably not be able to accommodate a large number of the applicants who will wish to enroll within the next decade.

Like other educational institutions of the state, East Carolina is immediately concerned over the problem of drop-outs. It is hoped that current emphasis on quality education will lessen the seriousness of the situation. From July 1, 1960, through June 30, 1961, Registrar John H. Horne states, there were 779 dropouts at the college. Of these 496 were caused by academic failure.

Record Enrollment Set At Elon College

Robert C. Baxter
Director of Development

The largest day school student body in the history of Elon College began classes September 15, 1961 with 968 men and women enrolled in the 72-year old liberal arts college.

Twenty-three states, the District of Columbia, and five foreign countries were represented on the Elon College campus. North Carolina was represented by the largest number of students (606) and Virginia by the second largest number (154). Twenty-nine students were from New York, 29 from New Jersey, 25 from Maryland, 23 from Pennsylvania, 20 from Connecticut, and 13 were from Massachusetts. The remaining students were from 15 other states and the 5 foreign countries.

In addition to the 968 students in day school, 333 were enrolled in evening classes, which meet on the campus from 7:00 p.m. to 10:00 p.m. Monday through Friday.

Twenty-four students from day classes and 12 from evening classes withdrew from college during the fall semester. Financial difficulty was the reason most often given for withdrawal.

Elon offers two degrees, Bachelor of Arts and Bachelor of Science in Chemistry. The major fields of study for the Bachelor of Arts degree are Biology, Business Administration. Business Education, Chemistry, Elementary Education, English, French, History, Home Economics, Mathematics, Music, Philosophy, Physical Education, Physics, Religion, Religious Education, Social Science, and Spanish. Of the graduates of the 1960-61 class who returned a report to the Registrar's Office, 83 per cent were employed in work related to their major fields of study in college. This figure excludes those in the armed services and those unemployed.

The College, through its Placement Office, assists seniors and alumni in finding employment after graduation. Campus interviews are arranged with

ELON'S ALAMANCE BUILDING

visiting representatives of industry, business, and educational and governmental agencies.

Ninety-four of the 1960-61 graduates have returned completed questionnaires

(Continued)

to the College. At the time they reported, 53 of these graduates were employed in North Carolina, 25 were employed out of state, 6 were in the armed services, and 10 were unemployed. Eighteen were employed in Virginia, 2 in Connecticut, and 1 each in Delaware, Georgia, Massachusetts, Pennsylvania, and the District of Columbia.

The Board of Trustees of Elon College has limited day-time enrollment to 1,000 students. If the Trustees permit limited growth, it is reasonable to assume that the total enrollment will be approximately 1,600 by 1972.

As a Christian college, Elon is dedicated to the philosophy that the liberal arts and sciences taught within a framework of spiritual emphasis best provide the preparation needed by its graduates for useful, intelligent living.

EDWARDS MILITARY INSTE.

No Information Available

ELIZABETH CITY STATE TEACHERS COLLEGE

No Information Available

GARDNER-WEBB LOOKS TO FOUR-YEAR CURRICULUM

MIKE PALMER
News Bureau Director

Gardner-Webb College, Boiling Springs, N. C., is one of the seven colleges in the North Carolina Baptist family—one of the three junior colleges. It is owned and operated by the Baptist State Convention of North Carolina.

Gardner-Webb is a liberal arts college, offering the associate of arts diploma. Its two-year program parallels that offered in the general college of most four-year colleges and universities, and approximately 75 per cent of the school's students transfer to four-year colleges to complete requirements for a bachelor's degree.

Gardner-Webb Administration Building, symbol of college growth, is one of two buildings completed within less than a year. Gardner-Webb is one of seven Baptist colleges in North Carolina. A junior college, it is owned and operated by the North Carolina Baptist State Convention.

A limited vocational arts program provides terminal training for students in business and secretarial fields.

The Southern Association of Colleges and Secondary Schools considers Gardner-Webb unique in the services it renders to a rural community. Foremost among these services are those related to the Church-Community Department, which correlates educational opportunities with Baptist churches in the broad Gardner-Webb community.

Services to Rural Community

In its 30-year history as a junior college, Gardner-Webb—formerly Boiling Springs Junior College and before that Boiling Springs High School—has graduated approximately 1,800 students, with hundreds more attending and later transferring to other colleges.

Alumni are found in all areas of endeavor and are scattered to the proverbial "four corners of the earth."

A sizeable percentage of G-W alumni have carried their talents into three main areas: the Baptist ministry and related fields, teaching and education, and business.

More than 500 alumni are serving in the Baptist ministry (and also other denominations), in capacities as ministers, directors of education and/or music, and missionaries in home and foreign fields. A number have attained distinction, also, as professors, educators, and theologians in leading seminaries and colleges of the South.

Leaders in alumni work estimate that more than 50 former students at Gardner-Webb are now teaching in colleges, universities, and seminaries of the country.

Alumni Are Educators

Gardner-Webb is probably unique, again, in that approximately 20 per cent of its faculty and staff are alumni.

Dr. E. Eugene Poston, president-elect who will be inaugurated April 16, is an alumnus who has gained a reputation as educator, theologian, and Baptist preacher. Right now, he is the school's "favorite son."

In addition to the college teachers, almost countless alumni are in public school teaching. Approximate figures

A Fayetteville State Teachers College student teacher works with youngsters at Newhald Training School. All FSTC graduates received Class "A" teaching certificates and the vast majority of graduates are now teaching elementary schools in North Carolina. Large eastern cities claim other graduates.

Over 80 Percent Of Fayetteville State Graduates Remain In North Carolina

An average of 110 students have been graduated from Fayetteville State Teachers College for the past five years. All graduates have received a degree in Elementary Education and have qualified for a Class "A" Teaching Certificate. Over 90 per cent of these graduates have entered the teaching profession. Over 80 per cent have remained in North Carolina.

The current enrollment is 943. Of this number only 55 come from outside North Carolina. We anticipate a maximum of 1500 by 1972. More than this number will apply, but in the next ten years we hope to raise our admission standards and accept only those who show a potentiality to succeed in college.

Since we have specialized in the education of elementary school teachers over the years, naturally the vast majority of our graduates are now teaching in elementary schools in North Carolina. Many, however, find work outside the state especially in the larger cities in the east. A large number are employed in Washington, Baltimore, Philadelphia and New York.

In most instances they are placed on jobs after school administrators contact the placement office at the college.

Those who do not teach find jobs as social investigators, clerks in government offices, recreation supervisors, policemen, etc.

Approximately 50 per cent of those entering drop out before graduation.

—See FSTC, Page 84—

from school units in surrounding counties indicate that from 10 to 20 per cent of the teachers in these units are Gardner-Webb alumni.

Shelby City Schools—nine miles away—has 114 teachers, 16 of which are Gardner-Webbers. Out of Rutherford County's 342, Gardner-Webb claims 32. A similar story is repeated for Kings Mountain and other nearby administrative districts.

Gardner-Webb students are found in almost every area of business, according to Registrar Dorothy W. Hamrick, who probably has a greater knowledge of the school's alumni than any other single person.

Gauge of Growth

Growth at Gardner-Webb is gauged partly by physical plant expansion, with two buildings having been completed recently in less than a year's time: Webb Administration Building and a new science building, one of the finest in the Carolinas.

Another gauge of growth is enrollment. For the fall semester, a new high of 611 was reached.

Dr. Poston, in his proposed plan for the decade 1962-72, anticipates an increase in enrollment of 40 per year, swelling the G-W student body to more than a thousand by the end of this ten-year period.

A four-year college is a possibility in the foreseeable future, and the G-W library is being prepared for such a move, should it come.

Gardner-Webb serves a student body that is basically "home folk." Almost 60 per cent of the students making their way to the Cinderella College come only short distances—from Cleveland, Rutherford, and Gaston Counties.

Out-of-state students normally compose about 12 per cent of the student body. Usually around a dozen states and half of North Carolina's counties are represented among the students, who are about 75 per cent Baptist.

Unofficial Placement Service

Statistics for recent years reveal that approximately 20 per cent of the students withdraw from school before completing graduation requirements.

Gardner-Webb does not have an organized placement service for its students, although Mrs. Hamrick says that terminal students never have to wait for jobs. Her office serves at times as an unofficial placement bureau.

Mrs. Hamrick indicates that Gardner-Webb students are "fed into all kinds of businesses and professions."

This relatively small junior college at the foothills of the Blue Ridge is making a significant contribution to the total educational program of North Carolina. Its commodity—talent—runs the full length of its alumni list.

GEORGE WASHINGTON CARVER COLLEGE

No Information Available

Student Personality, Character, Inseparable At Greensboro College

DOUGLASS KERR
College News Bureau

Greensboro College is a four-year co-educational institution offering the Bachelor of Arts, Bachelor of Science, Bachelor of Music, and Bachelor of Music Education degrees. The music program has long been a strong feature of the college, but it is also known for its teacher training and psychology and special education programs.

Founded in 1838, the College became co-educational in 1954. It is located in the heart of Greensboro, North Carolina's second largest city. Serving an interdenominational student body, the College is affiliated with the North Carolina Conferences of the Methodist Church.

As a private institution, Greensboro College takes pride in its 4,600 alumni, serving in a great variety of responsible positions. Many have proved themselves able graduate students in universities throughout the land.

Serving approximately 600 students is an able faculty of 38 full-time and four part-time instructors, all of whom hold graduate degrees from leading universities and colleges.

Since 1950, numerous buildings have been added to the 25-acre campus, including the library, arts and science building, memorial chapel, women's residence hall, physical education building with indoor swimming pool, and men's residence hall.

By 1970, the college expects an enrollment of 700.

A Greensboro College student goins procticol experience ot the speech clinic. A private institution, the College expects on enrollment of 700 students by 1970. About 85 students groduote eoch yeor. Droupout rote is seven to 15 percent.

The emphasis on programs of study is entirely upon undergraduate education, with majors in 15 fields, including art, biology, economics, education, English, foreign language (Spanish and French), history, home economics, mathematics, music, sociology, speech, special education, philosophy and religion, and psychology.

Of the College's total enrollment of 566 this year, 450 are from North Carolina, 11 from other states and four from foreign countries. The annual drop-out rate averages between seven and 15 per cent of the total enrollment. Most drop-outs are due to marriage.

The college graduates approximately 85 students a year, with almost 100 per cent entering jobs related to their major. Approximately 75 per cent remain in North Carolina.

The Greensboro College Placement Bureau, organized during the year 1932-33, aids graduates in locating positions in public schools, churches, church

(Continued)

MAIN BUILDING ON GREENSBORO COLLEGE CAMPUS

schools, business, and other situations for which a graduate is prepared. The services of this bureau are available without cost.

Forty-nine members of the Class of 1961 entered the teaching field, 10 are now in graduate schools, six became directors of religious education in the Methodist Church, one became a minister, and only one entered the business field.

Although the College offers some training for the professions, its primary emphasis is on education that develops a person highly trained, truly cultured, and deeply committed. Realizing that personality and character cannot be separated, Greensboro College emphasizes development in integrity of character along with breadth of culture.

The College is a church-related institution. It considers knowledge about the Christian religion essential and participation in the Christian community necessary.

Greensboro College is a standard A-grade institution by North Carolina rating, by its membership in the Southern Association of Colleges and Secondary Schools, and by the University Senate of the Methodist Church.

Its School of Music is nationally recognized through its membership in the National Association of Schools of Music. The college is on the approved list of the American Association of University Women.

Greensboro College also holds membership in the North Carolina College Conference, the Association of Schools and Colleges of the Methodist Church, the Association of American Colleges, and the College Entrance Examination Board.

GUILFORD COLLEGE

See Page 38

PRESENT HIGH POINT ENROLLMENT AT CAPACITY

High Point College News Service

High Point College is a Methodist-supported liberal arts school which offers either the bachelor of arts or the bachelor of science degree to students who successfully complete its academic program.

The college has a campus of some 56 acres in northeast High Point, approximately one mile from the downtown business district.

It receives most of its financial support from the Western North Carolina Conference of the Methodist Church. Its student body includes Methodists, Baptists, Presbyterians, Episcopalians, Catholics and those of other religious beliefs. A majority of these students came from North Carolina, principally the Piedmont area.

Most of the out-of-state students come from New England and Middle Atlantic states. There are five foreign students presently enrolled at the college.

Founded in 1924, High Point College has experienced excellent growth since it weathered the depression years and World War II. Since World War II, the student body has grown to tax the facilities of the college, even with the construction of new dormitories.

A co-educational school, High Point College sends graduates into such professions and fields of employment as teaching, the ministry, medicine, business and secretarial work. Most of them find employment in North Carolina. Many of the ministers in the Western North Carolina Conference completed their undergraduate education at High Point College.

There is a concentration of High Point College graduates in High Point and the immediate High Point area. Again, these graduates are busy as teachers, professional men and businessmen. Many alumni of High Point College are among prominent business and professional leaders in High Point.

An indication of the make-up of the student body at High Point College, and what these students generally do following their graduation, is shown by a look at the present enrollment of the college and of the occupations entered into by graduates of the Class of 1961.

At the beginning of the second semester of the current academic year, the college had an enrollment of 978 students. A total of 858 of these students came from North Carolina and 217 from out of state.

Enrollment at the opening of the fall semester was 1,074. The difference between enrollment then and at the beginning of the second semester is a result of graduations, drop-outs and transfers at the conclusion of the first semester. Between the time a freshman class enters the college and the time it graduates, approximately 40 per cent of its students will have dropped out of school.

Of the 200 students who graduated in the class of 1961, 74, or 37 per cent, are teaching. Forty-six, or 23 per cent, are in business; 24, or 12 per cent, are enrolled in a graduate school; and 20, or 10 percent, are in the Armed Services.

Here is a breakdown, by figures and percentage, of employment entered by the remaining students of the class.

Ministry, seven, 3½ per cent; director of religious education, six, three per cent; social work, six, three per cent; secretarial work, four, two per cent; home economics, two, one per cent; professional sports, one, ½ per cent; airline hostess, one, ½ per cent; and library work, one, ½ per cent. Eight coeds, or four per cent, of the Class of 1961 are housewives.

To assist its students in finding employment upon their graduation, High Point College operates a placement bureau in association with its Alumni Office. Those students who graduate as teachers are assisted in finding positions by the Department of Education.

At the present, High Point College enrollment is at capacity. A new dormitory for men is being planned for construction and opening within the next year. Whether the college should hold its enrollment at its present level or should allow enrollment to increase, is a decision to be made by the administration, headed by Dr. Wendell M. Patton Jr., president, and the board of trustees, of which Holt McPherson of High Point is chairman.

JOHNSON C. SMITH

No Information Available

JOAN WESLEY

See Page 38

LEES McREY

See Page 38

Majority Of Lenoir Rhyne Students Are Education Majors

Department of Public Relations

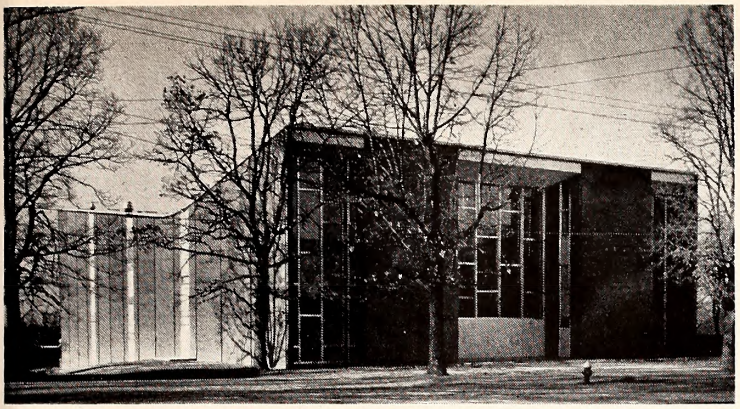
Seventy-one years ago, Lenoir Rhyne College was established in Hickory for the purpose of training ministers and teachers. Today, the Lutheran institution continues to concentrate on the needs of the church and the school, but through an expanded program, it serves other professions as well as business and industry.

More than two-thirds of Lenoir Rhyne's annual graduating class of 240 young people enter fields of public school education or church work. The remaining one-third are primarily business administration majors who enter work in business or industry.

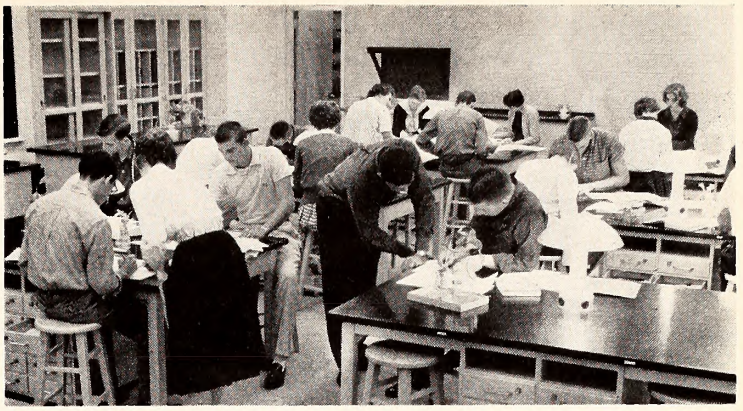
By far the largest group in an average Lenoir Rhyne class are those students majoring in education. Sixty per cent take the teacher-education program with two-thirds qualifying as high school teachers and the others qualifying as elementary school teachers.

The college, which is accredited by the National Council for the Accreditation of Teacher Education, offers programs in elementary teacher-training and most areas of high school teacher training. In cooperation with the North Carolina School for the Deaf, it also qualifies teachers to teach the hard-of-hearing.

Business administration majors, representing 20 percent of the graduating class, make up the next largest group a



Science studies at Lenoir Rhyne College, a Lutheran institution, are pursued in this modern Minges Science Building completed in the fall of 1959 at a cost of $560,000. The structure includes lecture rooms, laboratories, and other facilities for studying biology, chemistry and physics.



P. E. Monroe Auditorium was completed in 1957 at a cost of $625,000 and represents one of six new buildings to be erected on the Hickory campus in the current six-year expansion program. The building, named in memory of a former president of the institution, seats almost 2000 people.

Lenoir Rhyne. The Department of Economics and Business offers varied programs designed to train youth for management trainee programs and to serve as general accountants, cost accountants, CPA's, and secretaries.

Many of the graduates in the business fields go to work in banks and finance companies. Others accept employment with insurance companies, federal and state tax agencies, industrial concerns, and CPA offices.

Two other groups of graduates, religious education majors and science majors, each represent eight percent of the total graduating class.

Those entering church work from Lenoir Rhyne accept positions as ministers (after a period of seminary training), parish workers and directors of religious education, missionaries and musicians. The science majors often enter the teaching profession or accept research positions with industry or government agencies. Others enter the health professions as doctors, nurses, or medical technologists.

In addition to its four-year degree programs, Lenoir Rhyne offers one and two-year secretarial and business curricula for students interested in working in business offices. Approximately 35 students complete these programs each year.

Lenoir Rhyne graduates often find employment through placement services offered by the college. The Department of Economics and Business aids students by scheduling interviews when representatives of business and industry visit the campus. The Department of Education performs a similar service for students desiring to accept public school teaching positions. Information on other work opportunities is made available to the students by the Office of the Dean of Students in cooperation with the academic departments.

Approximately 75 percent of the graduates actually take employment in fields relating to their degrees, and about 85 percent remain in North Carolina.

For the past three years, the number of students enrolled at Lenoir Rhyne has been limited to 990 (with 90 percent of them coming from North Carolina), and the figure is expected to remain stable for the next few years. However, if campus growth and expansion proceeds on schedule, the enrollment will be increased to 1,200 within five years and probably to 1,500 within ten years.

LIVINGSTON COLLEGE

See Page 38

LOUISBURG COLLEGE

See Page 38

Meredith Growing . . . But Believes Small College Can Best Serve Student Interests

AGNES COOPER, *Director News Bureau*

After more than 50 years of planning by the North Carolina Baptist Convention, Meredith College in Raleigh, a four-year college for women, was chartered in 1891.

On Meredith's opening day in 1899 the Raleigh *News and Observer* reported the event under the headline "From The Hearts Of Its People It Spring Full Grown In A Single Day."

The estimated enrollment of 825 students this year is expected to increase with the opening of a new dormitory next September. Meredith plans to stay in the small college category, however, as its founders and administrators feel that it can best serve its students' interest this way.

There have been only four presidents of Meredith. Carlyle Campbell, the current president, was inaugurated in 1939. Eleven of the faculty members and administrators have served the college 25 years or more.

Raleigh is located in the "Intellectual Triangle," the educational center of the state, and the many colleges in the area afford many opportunities for Meredith's students, religious, social and educational.

Meredith was one of the first colleges in the state to secure national accreditation from the Southern Association of Colleges and Secondary Schools and other school associations.

Nominal Fees

Approximately one-third of the professors are listed in "Who's Who," and almost 50 per cent of the faculty members have been granted doctor's degrees.

Compared to the national average, Meredith's fees are nominal. Resident students pay $1,200 for board, room and tuition, from September to June. Day

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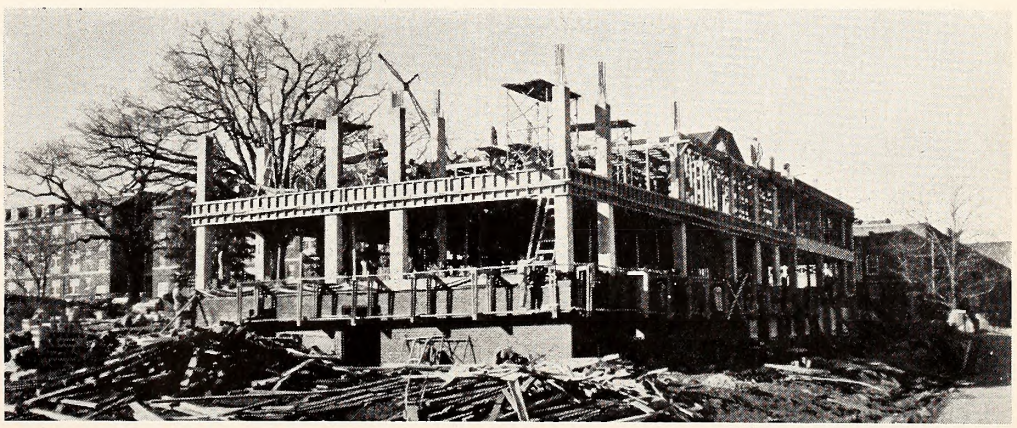


A picture taken earlier in the year depicts construction on a new Meredith College dormitory. Brewer Hall and Faircloth Hall are in the left background, and dining hall on the right. In addition to the new dormitory, a new infirmary is being constructed on the campus. The dining hall will be enlarged.

The annual commencement senior class day exercises at Meredith College open with the traditional "daisy chain" processional. The college offers 21 major curricula and more than 87 percent of the total Meredith enrollment are North Carolina students. Students publish a yearbook, newspaper and magazine, and Meredith has two honor fraternities. One fraternity is for campus leadership and the other for scholastic achievement. Scholarships are set up for those in need of financial assistance.

students pay only $590 for the same period.

Meredith College offers 21 major fields so that its students may have a well-rounded education. There are two semesters each year, fall and spring, and a six-week summer session.

The college endeavors to develop in its students the Christian attitude toward life, and to prepare them for intelligent citizenship and service. The ideals of academic integrity and religious influence have always been cherished.

Scholarships at the college are set up for any who are in need of financial assistance. These funds are augmented by a series of working scholarships in the different departments.

The three largest student organizations on the campus are the Student Government Association, the Athletic Association and the Baptist Student Union. There are two societies which sponsor literary competition and social activities, the Astrotekton and the Philaretian groups. Two honor fraternities, one for scholarship, one for leadership, head the departmental clubs. There is a college newspaper, magazine and yearbook.

In addition to the annual Religious Emphasis Week at Meredith, one of the nation's outstanding religious seminars is held each June. This five-day School of Christian Studies, scheduled for June 18 to 22 this year, will present some of the foremost theologians of our day.

Sports on this women's college campus are planned to give the students lifetime enjoyment—tennis, golf, swimming, archery and riding. Spectator sports are available at the three major universities within a 30-mile radius.

More than 87 per cent of the total Meredith enrollment are North Carolina students. When interviewing new students the admission officers seek intellectual interest, talent, imagination and character.

Meredith "dropouts" in the great majority are caused by the wiles of old Saint Valentine. The college is situated in the center of nearby colleges that have an enrollment of more than 50,000 men.

Many of the women in the community enroll for special interest courses or work toward a degree. In the past semester there were 70 married students registered at Meredith College.

The 1960 commencement class numbered 134 women. About 90 per cent of these graduates are now holding positions, and another five per cent are doing graduate study. Most of the job seekers stay in North Carolina, only a few go to other states.

In addition to the new dormitory being built on Meredith's campus, there also is a new infirmary under construction. These two will make a total of eight new buildings at the college within the past 12 years.

The dining room will need enlarging soon. There is no student activities building and no quarters for day students. The auditorium built in 1950, in which daily chapel services are held, is without an organ.

There is much to be done—always—in keeping a college campus up-to-date. Meredith is striving to do so.

	Graduate Each Year	Present Enrollment	Enrollment In 1972 (Est.)	Dropouts	Take Employment In N. C.	Take Employment Out N. C.	Out-of-State Students	In State Students	Placement Service
Atlantic Christian College	225	1200	1300	40%	—	—	84	1116	Yes
Bennett College for Women	100	600	650	2%	45	45	480	120	Yes
Brevard College	85	386	660	26%	—	—	112	274	No
Campbell College	190	1403	1700	12%	143	47	311	1192	No
Chowan College	150	701	1200	9%	—	—	—	—	No
John Wesley College	8	51	150	10%	6	2	14	37	No
Lees McRae College	100	380	500	11%	—	—	127	253	Yes
Livingston College	90	617	900	11%	59	12	130	487	Yes
Louisburg College	75	550	650	10%	56	19	159	391	No
Mitchell College	40	360	600	8%	36	4	45	315	No
Montreat-Anderson College	30	261	750	9%	—	—	148	113	No
Mount Olive College	20	187	500	—	18	—	11	176	No
Peace College	75	340	500	4%	56	19	85	255	Yes
Piedmon Bible School	30	175	200	10%	15	15	85	90	Yes
Sacred Heart College	60	168	250	18%	—	—	95	73	No
St. Mary's College	106	274	500	25%	—	—	98	176	No
Southern Pilgrim College	15	100	—	5%	—	—	15	85	No
Warren Wilson College	100	260	450	10%	—	—	76	184	No

A random choice of North Carolina colleges is used to depict graphically the colleges' own estimates of future enrollment, dropout rates and employment of graduates. Slight information was gained on the number of graduates taking employment out of state and in-state. This is particularly true of the junior colleges, as officials of these schools reported that the majority of their students continue education at four-year colleges, thus delaying their immediate entry into North Carolina's labor market. A number of colleges which indicated no placement service activities reported that placement departments are being established. Drooout rate was also only estimateable. Total dropout figures from all colleges include persons who leave school for a multiple of reasons, sickness, financial difficulty, military service obligations, academic failure, lack of interest and others. A certain percentage of this group will return to complete their college education.

After 41 Years

MARS HILL, SENIOR COLLEGE BY 1963

WALTER P. SMITH
Director, News Bureau

A widely-recognized junior college since 1921, Mars Hill has been a "supply house" for numerous other colleges and universities, professional schools, training schools and graduate institutions such as seminaries.

Now, however, this role is beginning to change. The College, which was founded in 1856 and is controlled by the Baptist State Convention of North Carolina, is becoming a senior college. The junior year will be added next September and the senior curriculum will be offered beginning in September 1963.

Heretofore, nearly 90 per cent of the students who graduated at Mars Hill transferred to senior colleges and universities to complete their undergraduate training. In the future Mars Hill will retain most of these students for the final two years. The change will permit the college to keep closer track of its alumni.

Currently about 1100 students are enrolled, approximately 700 of them from North Carolina. The remainder represent 22 states and six foreign countries.

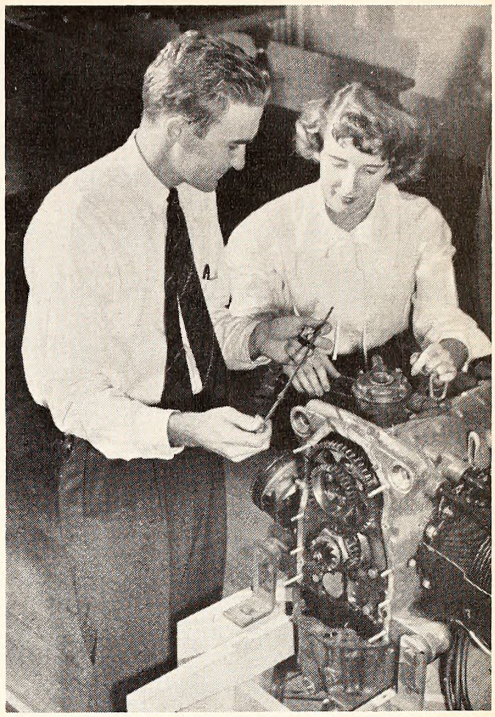
Three modern dormitories and an older fourth are not enough to meet the increasing demands for rooming facilities at Mars Hill College. A new dorm for senior coeds is in the planning stage.

These figures represent the college's capacity at the present time; however, it is anticipated that the institution's enrollment will eventually rise to about 1800, probably within the next 10 years. Preliminary plans are already being made for the construction of a much-needed dormitory for women. A campaign to raise $2,300,000 for this and other capital needs was launched in October. Among the items for which this money is sought are a new physical education plant, another dormitory for men, a classroom-administration building and additional facilities for science laboratories and the library.

As a senior college Mars Hill will offer Bachelor of Arts, Bachelor of Science, Bachelor of Music and Bachelor of Music Education degrees. Two-year pre-engineering programs and terminal one- and two-year courses in business will be continued.

As a junior college Mars Hill has supplied senior colleges with students who eventually found their way into positions as ministers, church secretaries, church music directors, elementary public school teachers, doctors, lawyers, engineers, secretaries, accountants, bookkeepers, housewives, and missionaries.

In its new role as a liberal arts senior college Mars Hill anticipates training young men and women for similar positions. Many of them, because of the fact that they are Tar Heel natives, will take jobs in the state. Presently the only assistance the college provides in helping graduates find jobs is in hiring some business graduates as secretaries and in recommending terminal students in business for various jobs. As a junior college a placement office has not been necessary. As a senior college it should be one of the first new developments.



Occasionally a coed tackles the difficult field of engineering at Mars Hill. Most of the engineering students are boys who, after two years, eventually complete their studies at other colleges.

One Of State's Newest Liberal Arts College

C. K. MCADAMS, *Director, Public Relations, Methodist College*

On November 1, 1956, Methodist College at Fayetteville was chartered as one of North Carolina's newest liberal arts, co-educational, senior colleges. Four years later in September of 1960 the first freshman class of 150 day students was enrolled.

In September of 1961 the total enrollment had grown to 314 including approximately 100 students in evening classes. Of the total enrollment 50 students are living in the two small dormitories which were occupied for the first time in September 1961.

A new dormitory which will house 88 students is now under construction and will be ready for occupancy in September of 1962. The new dormitory will house women students while the present two dormitories will be used for men. All dormitories are air-conditioned. More and larger dormitories will be ready for the fall of 1963 when the first senior class is enrolled.

The campus is being developed for 1200 students which we anticipate well before 1972.

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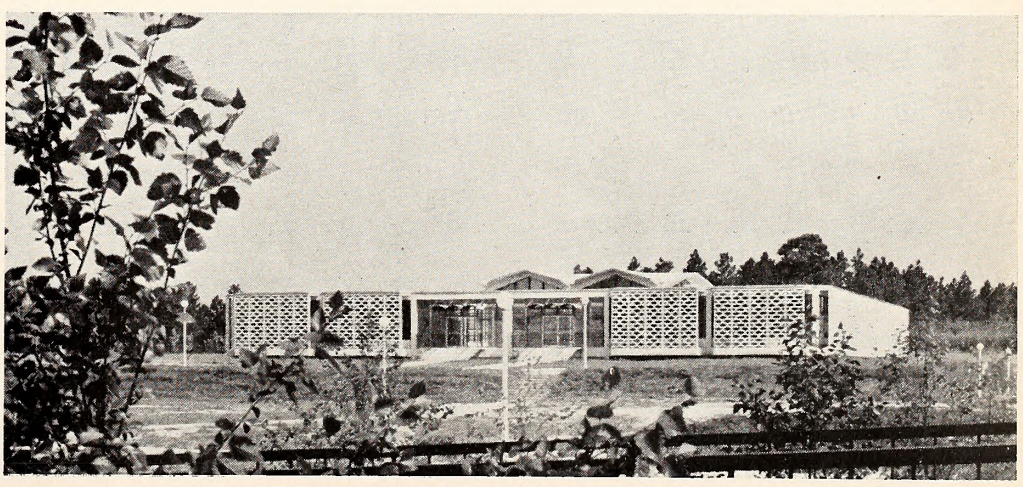
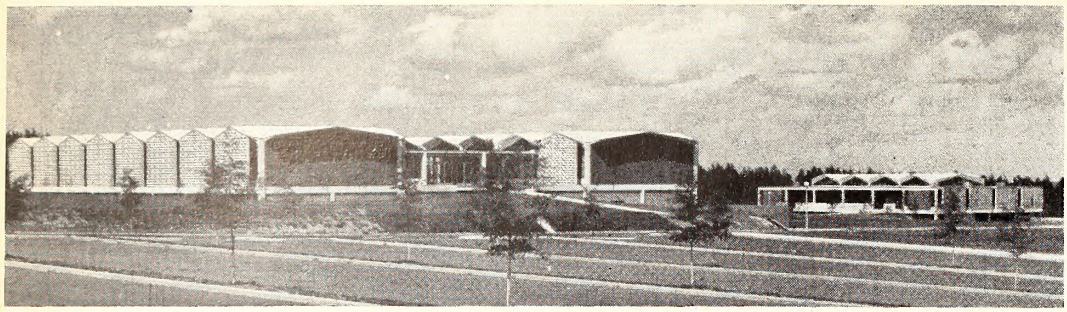


METHODIST COLLEGE SCIENCE BUILDING



A classroom building at Methodist College. The College Union building is in the background. The 600 acre site overlooks the Cape Fear Valley, and six buildings of this design, parking area, and physical education facilities comprise the campus. Methodist College will graduate its first senior class in 1964.

Of the total enrollment this year of 343 only 19 students are from outside North Carolina.

Six buildings of striking contemporary architectural scheme with parking areas, athletic and physical education facilities now comprise the campus on the 600 acre site overlooking the beautiful Cape Fear Valley. The scenic views from many areas of the campus are equalled only by the mountainous areas of western North Carolina.

The library building, bell tower, chapel, and a temporary physical education building are the next buildings to be constructed on the campus. The very excellent library is currently housed in the classroom building.

Dr. L. Stacy Weaver, president of the college, and one of North Carolina's outstanding educators is effectively directing the development of the college into those areas of "academic excellence and the Christian concept of life" to which he pledged the college when he became its first president in 1957.

As a liberal arts college, Methodist College emphasizes the humanities and basic sciences. The areas of study include: Language and literature; Religion and Philosophy; Education and Psychology; Natural Science and Mathematics; Social Sciences; Fine Arts.

Some of the vocational fields of interest represented in our present student body are: Public School teaching, Business Administration, Music, Engineering, Law, Nursing, Medicine, Science, Christian Education, Mathematics, Social Work, Art, Ministry, and others.

Dr. Clarence E. Ficken, former dean of Ohio Wesleyan University for 14 years, is the dean of Methodist College and heads the exceptionally high caliber faculty. The present teaching faculty numbers 15 and will increase to 25 or 27 for the 1962-63 school year, when the first Junior class comes into existence. Department or curricular areas involved in these faculty additions will be English, Spanish, Social Studies, Business Administration, Physics, Mathematics, Religion, Education, Physical Education, Art, and others.

This new college with its exceptionally high caliber faculty and its new and modern classroom, laboratory, library, living and recreational facilities will in 1964, begin to provide North Carolina with additional highly trained senior college graduates in many of the vital areas of service to the people of our great and progressive state.

MITCHELL

See Page 38

MONTREAT ANDERSON

See Page 38

MT. OLIVE JUNIOR COLLEGE

See Page 38

FROM 62 STUDENTS IN 1960, WESLEYAN SEES 1,000 BY '72

THOMAS A. COLLINS
President

North Carolina Wesleyan is one of two new Methodist colleges supported by the North Carolina Annual Conference of the Methodist Church and the Nash-Edgecombe County communities in and around Rocky Mount.

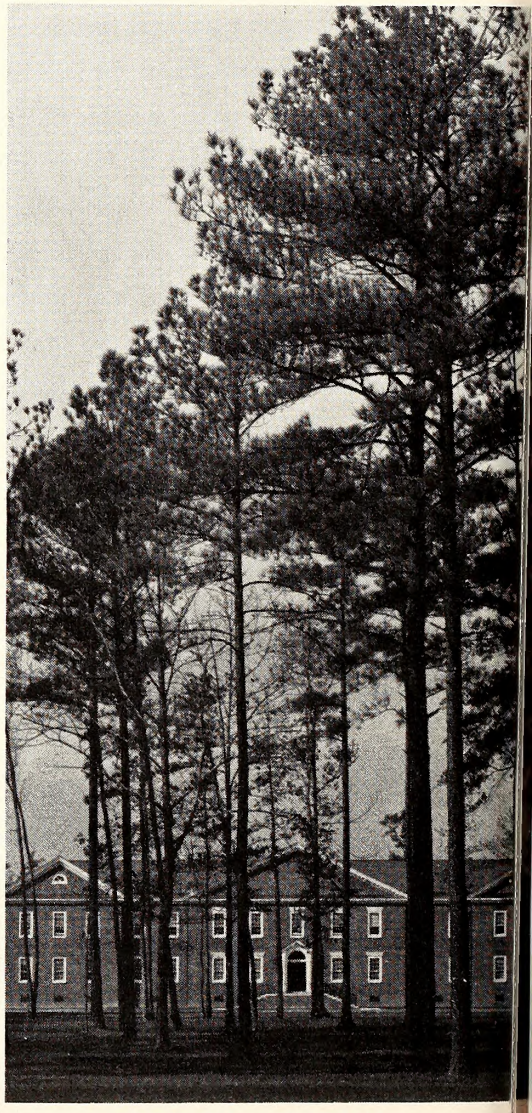
Located in Rocky Mount, North Carolina, Wesleyan College is one of three new colleges in the eastern part of the state. In 1954 citizens of the community promised the N. C. Conference that they would furnish a satisfactory site, cash in the minimum amount of $1,750,000, utilities to the site, fire and police protection, city bus service to the campus and continuing support of $50,000 annually. The Conference accepted the proposal and agreed to establish and maintain a four-year co-educational liberal arts college in or near the city of Rocky Mount. In a capital fund campaign the Conference pledged $2,000,000 plus continuing support for Wesleyan.

Wesleyan began in the Fall of 1960 with a freshman class numbering 92 students. In 1961-62 Wesleyan College enrolled 204 freshmen and sophomores. In 1962 the junior class will enroll and in 1963, the senior class and Wesleyan will become a Senior College offering a full four years of work.

The College will offer the AB and BS degrees in liberal arts, sciences, and teacher preparation, particularly for secondary school certificates.

As mentioned, this year the College has 204 freshmen and sophomores. One-hundred-and-fifty-two of these students are from North Carolina. Twenty-seven are from Virginia and others from 12 additional states.

Long range plans? By 1972 the College contemplates a student enrollment of approximately 1,000, possibly more, and an anticipated growth of approximately 100 students per year during the first five years—maybe 800 students by 1970.



CAROLINA WESLEYAN

Concerning dropouts, it is difficult to be exact after only one year's experience. Approximately 25 per cent of the initial class did not return the second year. Thirty-five per cent of the enrollment have come to Wesleyan undecided as to vocational preparation. Teaching claims about 15 per cent and Business and Professional preparation about 15 per cent. The Ministry and Religious Education are indicated by approximately eight percent of the enrollment with the remaining students distributed widely as to their vocational goal.

Graduates Encouraged As Recruiters Offer Non-Traditional Jobs

HORACE DAWSON, JR.
Director, News Bureau

Practically all of the 1961 graduates of North Carolina College at Durham who were available for work were employed, according to the annual report recently released by the college's Bureau of Placement. Moreover, the Bureau reported requests, especially for persons with skills in accounting, English, mathematics, statistics, etc., far in excess of the available supply. Equally noteworthy is the fact that 78 per cent of the persons employed found positions within the state of North Carolina.

In actual numbers, there were 252 seniors in the 1961 graduating class. Placement Bureau registration totaled 270, including the majority of seniors and a number of graduate students. Of this number, the Placement Bureau study showed 239 persons actually employed, 161 of them in North Carolina.

As in the past, the majority of North Carolina College graduates, 175 or 73 per cent went into teaching or school-related professions, e. g., library work, counseling, special education, etc. The others, however, were scattered over a wide range of occupational specialties, reflecting a new and encouraging interest on the part of business, industry, and government in North Carolina College products. It means, moreover, that students are becoming more and more conscious of and are preparing themselves for opportunities in other fields.

Both trends can be seen in the fact that 21 representatives of business, industry, and government made recruitment visits to the college last year. Twice that number are expected in 1961-62. Of added encouragement is the fact that an increasing number of recruiters for what Negroes have come to call "non-traditional" jobs represent North Carolina firms. One governmental agency in Raleigh, for example, recently asked for 18 secretaries,

Behind the figures and the fact of increasing opportunity is the college's emphasis on thorough preparation. Under the leadership of President Alfonso Elder, North Carolina College at Durham is noted for its tradition of quality education. Although pressed for space because of sharp enrollment increases, the college has excellent facilities for training in the arts and sciences, in commerce, education, and in law and library science. Nearly two-thirds of its faculty members have doctorate degrees. The college awards eight undergraduate, graduate, and professional degrees including: BA, BS, MA, MS, Master of Library Science, LLB, and the PhD in education.

Barbara Lewis, Sandra King, Nettie Cheston, Celia Greene, Brends Randolph, and Portia Timberlake, potential mathematics majors at N. C. College, receive instructions from Professor Joseph A. Pittman on "card punching" in the college's machine laboratory.

North Carolina College has an enrollment of 2,359 students, the vast majority of whom, 2,178, are natives of North Carolina. With 2318 students in 1960-61, there were 430 drop-outs. If present enrollment trends continue, the college will have 3,700 students by 1972.

As indicated by the Placement Bureau Report, the large majority of students are employed in the field of education. In addition, graduates of 1961 obtained positions as bookkeepers, claims authorizers, comptometer operators, dietitians, factory workers, fiscal aides, home demonstration agents, insurance executives, internal revenue agents, laboratory technicians, lawyers, ministers, nurses, personnel assistants, professional athletes, recreation workers, research assistants, research chemists, salesmen, secretaries, social workers, and YWCA program directors. The majority of graduates were placed through the college's Placement Office.

"Tremendous Year For The Graduating Engineer," Says N. C. State College

RUDOLPH PATE, *Office of Informational Services*

The employment situation facing the 1,301 students graduating from North Carolina State College this year is "very bright," according to college officials.

William H. Simpson, director of the placement office in the State College School of Engineering and for the School of Physical Sciences and Applied Mathematics, said:

"The employment picture in engineering has been continually bright during the last few years and this year it appears that the number of opportunities for engineers will surpass previous records.

"We are having an average of 10 to 11 companies per day interviewing at the School of Engineering—the largest school at State College. Many of these companies are staying for several days. Offers of employment, from all sizes and types of industries, have been coming in at a rapid rate since the interview season began in early January.

"For example, one large company interviewing on our campus for two days in January has already given 60 offers of employment to our seniors. The number of companies scheduled to visit the School of Engineering this year totals 300, and additional companies are contacting the placement office daily for interview dates.

"The average salary for an engineering graduate is approximately $560 per month.

"All in all, it's going to be a tremendous year for the graduating engineer."

In the School of Forestry at State College, Dean Richard J. Preston said the demand for graduates of his school has exceeded the supply for more than 10 years.

The starting salaries this year, he said, range from $4,800 to $6,500.

Prof. G. H. Dunlap, director of the Placement Bureau in the School of Textiles at State College, reported a steadily increasing demand for graduates of North Carolina State College's School of Textiles.

Industries from 11 states held 1,800

(Continued)

interviews with prospective graduates last year. There were eight to 10 job offers available to each graduate, Professor Dunlap said.

The starting salaries offered the graduates range from $450 to $575 per month. This represents a marked increase in starting salaries since 1948 when the Placement Bureau was established and when the average starting salary was $175. The rise in salaries has occurred while the price for textile goods has remained about the same.

Industries interviewing prospective students last year came from the states of North Carolina, South Carolina, Florida, Alabama, Georgia, Tennessee, Virginia, Delaware, New Jersey, Pennsylvania, and New York.

The demand for State College agricultural graduates is stronger than it was last year and the starting salaries are somewhat higher, according to Dr. Edward W. Glazener, director of instruction for the School of Agriculture.

He reported that two years ago about 10 firms held interviews on the campus, whereas over 30 are expected to take a look at the approximately 110 graduating seniors this year.

Starting salaries for agricultural graduates last year ranged from $4,800 to $5,000 annually, Dr. Glazener said.

He pointed out that this year the School of Agriculture has been making a special effort to place as many graduates as possible with North Carolina firms by working with both prospective employers as well as with the prospective employee.

Dean Henry L. Kamphoefner of the State College School of Design said the building boom is still underway in North Carolina, and the demand for architects is strong.

"The architects of North Carolina can easily absorb our 1962 graduates, and there will still be a heavy demand."

He estimated the starting salaries will range from $90 to $100 per week, depending on the experience of the graduates.

Present enrollment at North Carolina State College is approximately 6,782 students. Expected enrollment by 1972 is estimated at 11,500.

Approximately 35 percent of the students who enter State College graduate in the regulation four-year period, and another 10 percent of those who drop out for various reasons subsequently return to school. Departments within the College, i.e. the different schools, provide placement services for the enrollees. The Forestry, Textiles, Engineering, Physical Science and Applied Mathematics departments and the Schools of Design, Education, and Agriculture are instrumental in finding employment for their respective graduates.

The number of graduates who take employment in North Carolina and the number who find jobs out of state is at present indeterminable.

OAK RIDGE MILITARY INSTITUTE

No Information Available

PEACE

See Page 38

PIEDMONT

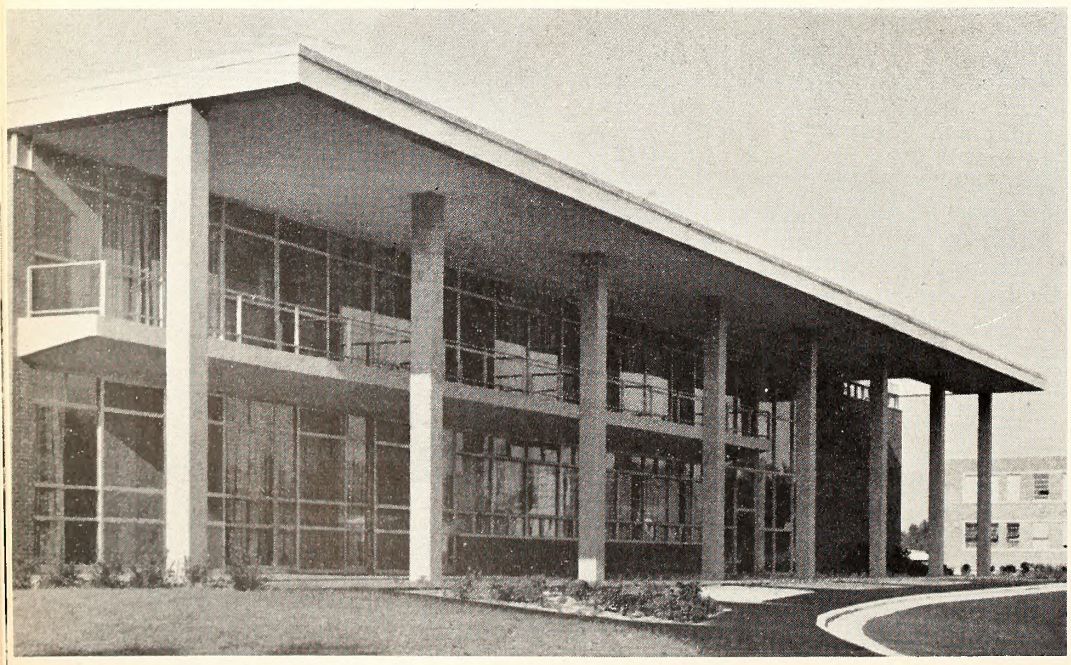
See Page 38

SACRED HEART

See Page 38

ST. MARY'S

See Page 38



N. C. State's Erdahl-Cloyd Union Building. One-thousand-three-hundred students graduated from State this year, and college officials say employment possibilities are "very bright." One company has already given 60 offers of employment to seniors. Placement services are provided by the various schools.

SALEM'S AIM: BEST POSSIBLE SMALL COLLEGE FOR WOMEN

Salem College News Bureau

At Salem College, founded by the Moravians in 1772, the strong dual emphasis on scholarship for women and for educated citizenship has produced graduates through the years in the favorable position of being able to select where they wish to live and work after college. Most graduates choose to remain in the cities of North Carolina, and are aided in their decisions by the Vocational Office of Salem College, under the direction of the Academic Dean.

Outstanding students are urged to do graduate work, and recent figures show a rising trend of Salem graduates continuing in various graduate schools throughout the country.

The highest percentage, about 40%, of the graduates are teachers whose services are sought—and contracted for during their senior years—by North Carolina city and out-of-state recruiters. Of these, about 60% teach in North Carolina.

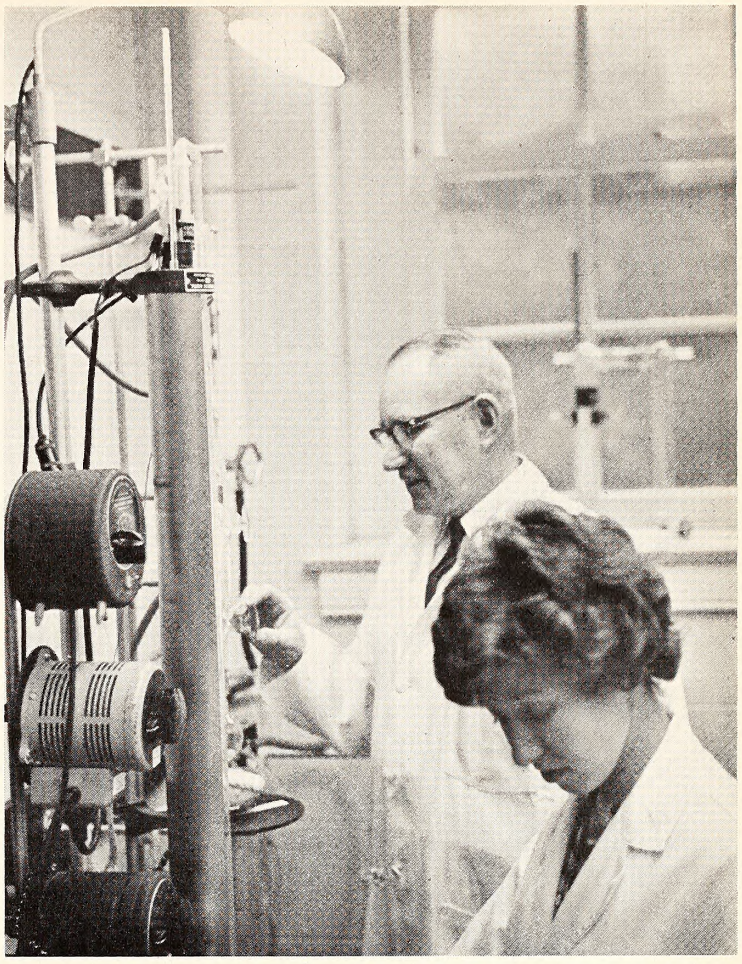
Available statistics for a three year period show, besides teaching and graduate study, Salem graduates are employed as laboratory technicians, in advertising and publications, as chemists and research assistants, in religious education and welfare work, in banking and secretarial work, and as librarians and hostesses.

At present, of a full-time enrollment of 464, of which about 60% are from North Carolina, 72 will be graduated this year with bachelor degrees in Liberal Arts, Science, and Music. Figures from 1960 show that of 80% of the graduates from whom information was received, 72% were employed, 12% were attending graduate schools, 14% were married and not working outside the home, and 20% were married and employed. The majority of graduates reported continued study or work in their fields of major study or closely related fields.

Graduates of the School of Music of Salem College usually continue study. In the past five years, three graduates have received Fulbright Awards for study in Germany.

According to a ten year self-study investigation prepared for a Commission of the Southern Association of Colleges and Secondary Schools in April, 1960, 77.2% of eligible boarding students return to Salem College to continue their undergraduate work. Of those not returning, the dominant reason given was the desire to transfer to coeducational institutions. The highest percentage of transfers is after completion of the sophomore year. However, the class which entered Salem College in 1955 of

Mrs. Barbara Burleson, class of 1961 at Salem College, chose teaching third grade at Brunson Elementary School in Winston-Salem where her husband attends Bowman Grey Medical School. About 40 percent of the Salem graduatesa re certified teachers. The majority teach in N. C.



Marjorie Foyles, class of '61, works with Dr. B. Carson French, head of Salem's Chemistry Department. Implemented by a grant from the National Cancer Center, research is conducted for the development of antimetabolities which resemble chemicals needed by cancer cell in its growth.

117 members was graduated in 1959 with 70 members, or almost 70 per cent.

Salem College, currently holding a campaign fund drive for improved facilities in a music-arts auditorium and new dormitory, expects to hold its enrollment during the next ten years to 500 resident students, about 100 day students, and approximately 50 older students from Winston-Salem who desire undergradute courses. Dr. Dale H. Gramley, President of Salem College, has stated very clearly the aim of the College is to grow in quality, rather than size, to become the best possible small college for women with all the advantages to individual development and to the cultural life of the Winston-Salem area inherent in such a program. Training of undergraduate women for active participation in community service has been well rewarded by surveys showing a majority of Salem graduates are active, and many are leading, in community activities.

St. Andrews Is Merger Of Three Presbyterian Institutions

GLORIA H. BLANTON, *News Bureau*

In June, 1962, St. Andrews Presbyterian College graduates its first senior class on the new campus in the south edge of Laurinburg.

Present indications are that these graduates will enter many vocational fields in business, industry, education, medicine, government service and the church. Some will pursue graduate study to prepare for medical and legal professions and the ministry. Others will take up homemaking.

The contemporary-style buildings, new curriculum and unique approaches in student life at St. Andrews are part of an endeavor by Synod of North Carolina of the Presbyterian Church, U. S., to provide high quality education in its new coeducational, four year liberal arts college.

St. Andrews aims to send forth young men and women prepared to be responsible citizens in today's world as well as to earn their livelihood. The consolidated college like the institutions which merged to form it—Presbyterian Junior, Peace and Flora Macdonald Colleges—seeks to develop in its students scholarly and Christian characteristics.

The initial student body enrolled in the fully-accredited college which opened in September, 1961, numbers 820 full-time equivalent students. There are 554 students from North Carolina, 262 from other states and four from other countries. Counties in N. C. having the largest numbers of students include Cumberland, Gaston, Guilford, Mecklenburg, Moore, Richmond, Robeson and Scotland.

St. Andrews offers courses leading to the BA, BS and Bachelor of Music degrees. Cooperative degree programs are available in engineering, medical technology and nursing.

The 18 major fields of study include Biology, Chemistry, Business Administration and Economics, Bible, Christian Education, Mathematics, History, Foreign Languages, Education and Psychology, Home Economics and Music. Courses are offered which meet state requirements for certification as elementary and secondary school teachers.

St. Andrews offers vocational placement service to its students and in a limited degree to its alumni.

Vocational placement, other than teacher placement, is under the supervision of the Director of Guidance, Rodger W. Decker. His office serves as a clearing house for information on openings in business, industry, government service, other employment and graduate study. It also arranges interviews between seniors and representatives from

(Continued)

DR. ANSLEY CUNNINGHAM
President, St. Andrews

these fields. Information about summer employment is made available to students.

The teacher placement service is directed by the head of the Department of Education and Psychology, Dr. John Daughtrey. His office collects the information and credentials of those desiring the service and makes the data available to interested school administrators.

All the contemporary-style buildings on the lakeside campus are centrally air conditioned and heated. Two terms of summer school and summer workshops are offered in addition to the regular academic year.

The adult education program at St. Andrews provides night courses and other programs as a service to the community and area.

Technical, vocational and industrial intraining programs may be arranged by St. Andrews in association with business, industry and employee groups. Research facilities may be made available through arrangement with the department of the college concerned with the field of investigation.

TEACHER PLACEMENT HIGH AT SHAW UNIVERSITY

Shaw University graduates receive the AB or BS degree. Upon graduation they enter many and varied activities.

A majority of the graduates in any given year qualify for N. C. elementary and secondary teaching certificates and they go into teaching in North Carolina and other states. For example, of 101 persons in the 1962 graduating class, 66 are listed with Education as a major or minor curriculum. They normally begin as teachers and later many become principals, supervisors and other school officials. Our record of teacher placement is high.

Upon graduation, a small number of our students study at graduate and professional schools in religion, medicine, dentistry, law, social work, library science and in subject matter areas. Some enter upon service as religious workers, directors of physical and recreational activities, government workers (local, state, and national), dietitians, stenographers, salesmen, laboratory technicians, and operators of small businesses. There are, of course, a few young men who are called upon to satisfy their obligations to the military. Few, if any, are listed wholly as homemakers.

While a majority of our graduates do not enter upon advanced study immediately following graduation, many later pursue their formal education through institutes, in-service training programs, summer and regular session study, home-study, and on-the-job programs . . . . FOSTER PAYNE, DEAN

ST. AUGUSTINE GRADS MOVE INTO NEW FIELDS

JAMES A. BOYER, PRESIDENT

By 1967, Saint Augustine's College will have completed 100 years of dedicated service in the field of Christian higher education under the auspices of the Protestant Episcopal Church.

Our quaint college chapel, erected just prior to the turn of the century by students and instructors, is the symbol and the center of our Christian worship and fellowship. Here the Chaplain brings home the true meaning and application of Christ's teachings. The Episcopal Churchwomen, composed of the ladies of the faculty and staff, are quite active, and so are the Laymen. The Laymen are all men of the faculty and staff.

Saint Augustine's is well represented in the Seminaries and in the Churches of the land. Thirty per cent of the Negro clergy are graduates of Saint Augustine's. One is a missionary Bishop of the Protestant Episcopal Church in Liberia.

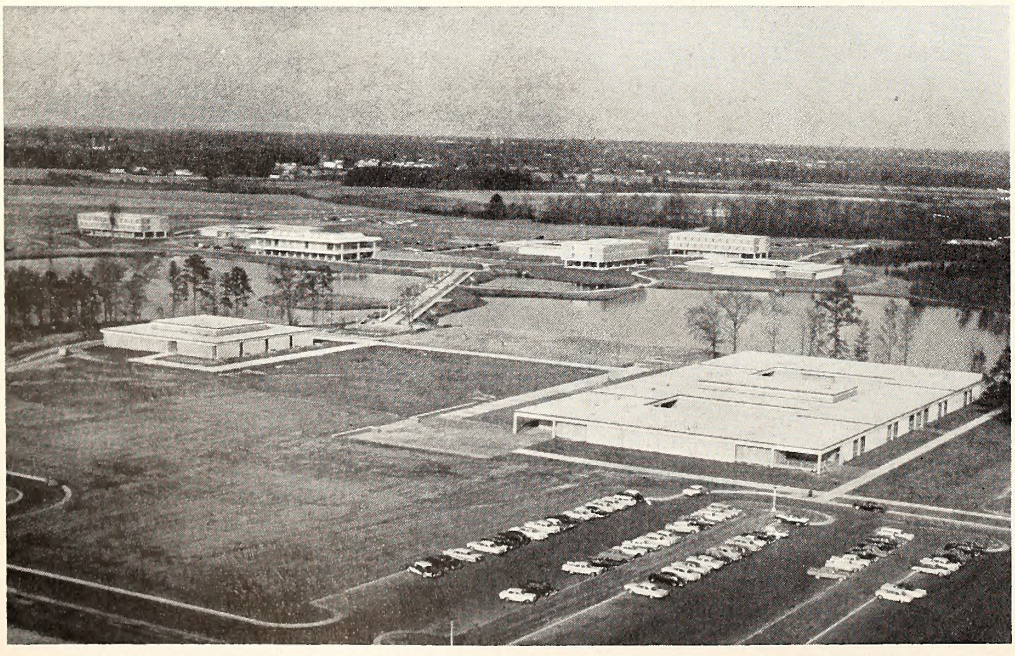
Our present enrollment is 642 students, and our expected enrollment by 1972 is 1000 students. Dropouts number 12, and 396 of our enrollment comes from North Carolina.

BA and BS degrees are offered at Saint Augustine's. Approximately 90 per cent of our graduates actually take employment in fields relating to their degrees.

Saint Augustine's alumni are well represented in the traditional areas of teaching, the Ministry, medicine and law. They are also moving into new fields. Some are serving as research chemists at the Argonne Laboratories, University of Chicago; at Eastman Kodak Company, Monsanto Chemical Company, and elsewhere. One graduate is the Director of Public Health in Indo-China. Another is a UNESCO news reporter stationed in Paris, and two are teaching in Liberia and one in Nigeria. In this country many are serving as social workers, librarians, secretaries and clerks in department stores. Students are in medical school at Heidelberg, Geneva, and Edinburgh. These alumni are making excellent records wherever they are and they attribute their success largely to the well-rounded training and Christian inspiration they received at St. Augustine's.

Our graduates find jobs through inquiries and contacts initiated by themselves and through the efforts and contacts made by the school's Placement Officer. Alumni and friends, employment bureaus, and inquiries from principals and superintendents also help the Saint Augustine graduate to find employment.

Sixty-eight per cent of our graduates remain in North Carolina. Twenty-one per cent are employed out of state. Eleven percent are in the military service, or their whereabouts unknown.



AERIAL VIEW OF ST. ANDREWS SHOWS LAURINBURG IN BACKGROUND

Southeastern Supplying One Out Of Every Six Baptist Ministers In North Carolina

BEN C. FISHER, *News Bureau*

After a life of only ten years, Southeastern Baptist Theological Seminary at Wake Forest is furnishing one out of every six pastors in North Carolina Baptist Churches. When one considers that there are more than 3,000 Baptist churches in North Carolina, this is all the more unusual.

Currently there are approximately 300 churches being served by Southeastern graduates, and approximately another 250 being served by student pastors.

These churches are located from the mountains to the sea—First Baptist Churches in large cities to small rural fields. Most graduates will serve as pastors. Others will be working as educational directors, directors of church music, directors of youth work, institutional chaplains, including penal institutions, state hospitals, private and denominational hospitals, orphanages, and a few are also serving in the rapidly growing field of industrial chaplaincy. Still other graduates of Southeastern who have remained in North Carolina are serving in various phases of the Baptist denominational program, such as associational missions, Baptist Student work on college and university campuses, educational work with the Baptist State Convention, including the Sunday School, Brotherhood, and Training Union Departments, and others are teaching in colleges and preparatory schools, and directors of public relations in Baptist colleges.

Moreover, a glance at a large map on the wall of the alumni office shows that Southeastern alumni are a part of the world-wide Christian enterprise. Thirty-one missionary couples are serving in the following widely scattered areas of the world: Guatemala, East Pakistan, Pakistan, Israel, Bahamas, Japan, French West Indies, Thailand, Chile, Brazil, Ghana, Korea, Indonesia, Hong Kong, Spain, Nigeria, Ecuador, Argentina, Philippines, Italy, Central Africa, Southern Rhodesia, and Uruguay.

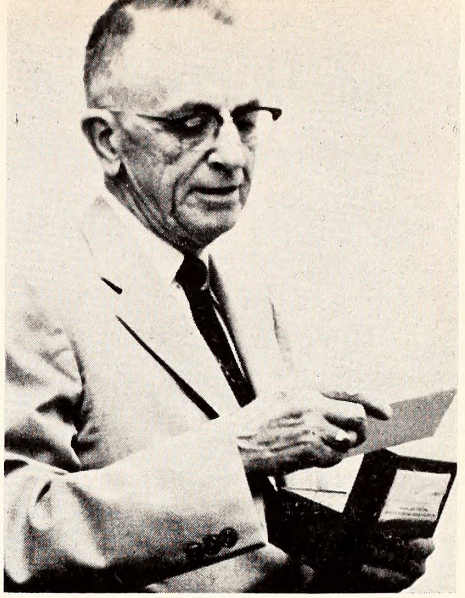
Cosmopolitan Student Body

Although North Carolina has the largest representation of students, with a current enrollment of 205, Southeastern Seminary is cosmopolitan in many ways. This year there are students from 24 states and five foreign countries. Southeastern faculty members hold advanced degrees from major American colleges, universities and theological schools, and many have studied abroad.

Seminary Gives Two Degrees

Southeastern offers two degrees: Bachelor of Divinity, and Master of Theology. The BD may be earned in three years and the ThM in four years. In addition a limited number of mature men are admitted to a two-year certificate program.

he S. L. Stealey Administration Building. The Sauthern Baptist Conventian purchased the Wake Farest ollege plant when Wake Farest maved ta Winston-Salem. The Administratian Building was re-named om White Hall in 1961, and about $3.5 million has been spent on develapment at the Seminary.



DR. S. L. STEALEY

Clinical training in Pastoral Care, Field Work Forums, special lectures, and travel seminars to Europe and the Holy Land enable the student to get a broader view of the world.

Placement

The Seminary does not operate an official placement service. The Field Work Department counsels student pastors and assists seniors to find churches and denominational employment. After graduation, student records are combined in a single file in the alumni office. The administration, faculty, trustees, and fellow graduates try to assist the graduate in every way that this can be done without setting up a formal service or working against what Baptist feel strongly to be the sense of a divinely guided call.

Since the Seminary opened its doors in the fall of 1951 with fewer than 100 students, more that 1,200 men and women have earned degrees. Today more than 650 students are enrolled, and 253 are North Carolinians.

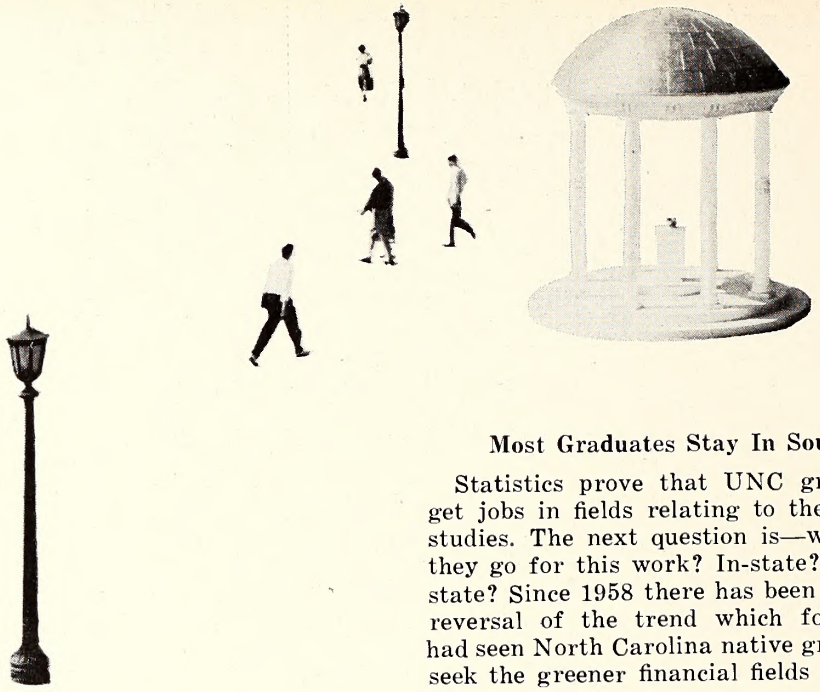
The present trend in Seminary enrollment is generally uncertain. It would appear that Southern Baptist Seminary enrollment reached its peak in the late fifties and is now leveling off. There will probably be some increase in the next ten years. At the present time we are experiencing about a 12 per cent annual drop-out but many of these later re-enroll.

Dr. S. L. Stealey came to the Wake Forest College Campus in 1950 to take over a "paper seminary." Under his able leadership the Seminary has enlarged the faculty from four to more than 30 instructors, constructed a new library, cafeteria, child care center, and 50 new student duplex apartments. Altogether, more than 3.5 million dollars have been spent on plant development.

Today in addition to sending out hundreds of workers trained in Christian vocational leadership, many of whom remain in North Carolina, the Seminary is pouring annually more than $700,000 into the economy and financial blood stream of its own community.

Two Job Placement Services Function For UNC Graduates

LEON ROOKE
University News Bureau



Last June the majority of the more than 2,000 degrees awarded at the University of North Carolina went to 56 per cent of students who had entered the University four years earlier and gone on to receive BA and BS degrees. What happened to the 44 per cent who entered school as freshmen, but for various reasons dropped out before graduation? That's a matter of speculation.

Those students who did graduate were absorbed into society, but where in society are they and what are they doing?

More than 1200 BA and BS degrees were awarded last year to graduates of the Schools of Business Administration, Education, Journalism, Library Science, Nursing and others. A large number of degrees were awarded to students of the College of Arts and Sciences whose majors were art, music, history, classics, English, philosophy, radio and television, languages and mathematics.

How many of these 1200 graduating students actually took employment in fields relating to their degrees?

Most of them did. "The majority of UNC students," says UNC Placement Service, Joe Galloway, "are quite successful in finding employment in their preferred fields." Figures bear this out.

During the past 12 months, 663 seniors, teacher candidates, and master's degree graduates registered with the Placement Service. Three-hundred and thirty-five accepted jobs in areas relating to their field of study. Remaining students entered military service (49); decided to continue their education (49); did not report their post-graduation status (80); and continued to remain on the active files of the Placement Service (90). For the same period, the office found jobs (presumably in related fields) for 169 UNC Bachelor's degree graduates of years prior to 1961.

The largest concentration of UNC graduates who last year found jobs through the Placement Service was in the field of business administration (111), education (182), the College of Arts and Sciences (251), and professional schools (13).

Jobs Sought Through Placement Office

The Placement Service is the chief means through which graduating students and alumni may find jobs. During the 1960-61 year that office arranged for 412 employer recruiting visits to the campus. They interviewed students. As a result, a total of 2,892 interviews were held between students and employers. Additional job requests listed with the office by mail and telephone totaled 652. Requests for sales personnel, general administrative positions, and accountants and chemists, were highest on the list.

Placement Service figures afford a fairly complete picture of what happened to about one-third of last year's graduating class. But the largest percentage of students locate jobs for themselves. Many, favoring jobs in their home town, accept employment not related to their college study. Many find jobs through their family connections, personal friends and business acquaintances.

Another means by which students find employment is through the departments in which they study. Each of the schools and departments of the University, working as an auxilary unit of the Placement Service, has a coordinator who works closely with the students. In some cases these departments place their own students. In the School of Journalism and the Department of Radio, Television and Motion Pictures, for instance, this can be done without difficulty.

Dean Norval Neil Luxon of the Journalism School explains that last year his department had 18 graduates. Of these 18 (15 men, three women) seven went to work for newspapers in North Carolina, three accepted jobs with out-of-state newspapers, four entered the military service, one went to graduate school, one to medical school, one into business, and one woman accepted governmental employment in a journalistic capacity.

Two actual placement services operate at the University of North Carolina. The School of Education endeavors to place UNC education majors in public schools of the state, nation, and the world. Last year the school had 132 students who received degrees and qualified for teaching certificates. Of these, 99 took teaching jobs.

Most Graduates Stay In South

Statistics prove that UNC graduates get jobs in fields relating to the college studies. The next question is—where do they go for this work? In-state? Out-of-state? Since 1958 there has been a slight reversal of the trend which for years had seen North Carolina native graduates seek the greener financial fields of other states.

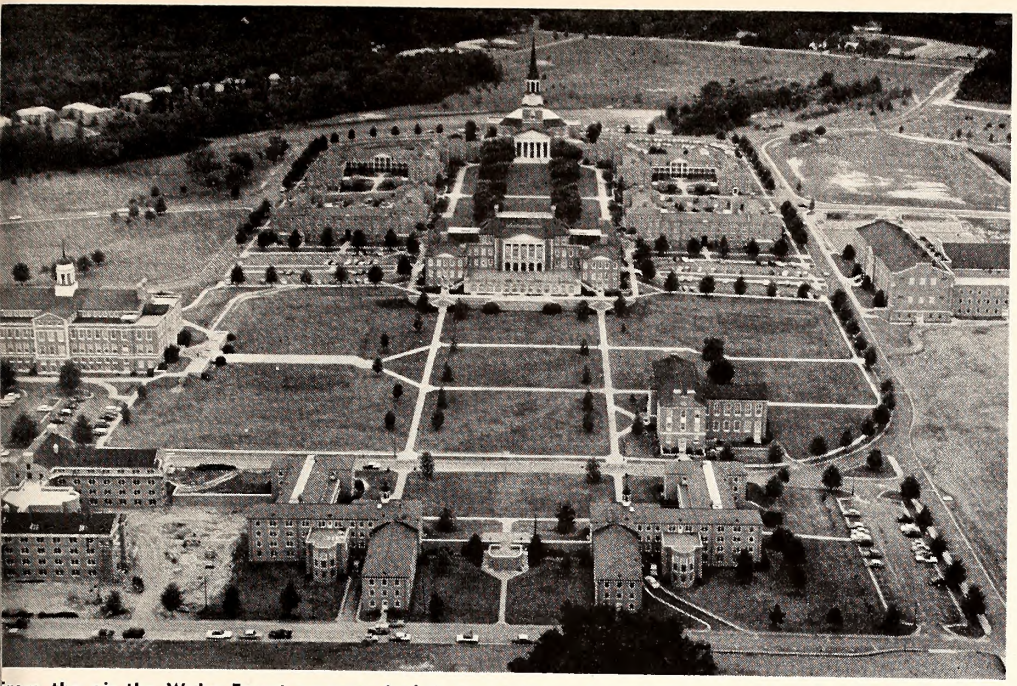
Last year, according to the UNC Placement Office, 60 per cent of native North Carolina students remained in the state after graduation. Thirty-five per cent of those students whose homes are out-of-state accepted employment in North Carolina. This year the percentage of native students taking employment in the state did not fluctuate much, but at least the trend to out-of-state employment continues downward. Out-of-state students who remained in North Carolina dropped to about 18 per cent, according to Placement Service statistics.

Seventy-eight per cent of the students placed by the School of Education remained in the state, and 22 per cent took out-of-state jobs.

Sixty-eight per cent of the total student body of UNC, consisting of undergraduates, graduates and students in professional schools, are native Tar Heels and 32 per cent are from out-of-state.

"Despite a quite different situation in a few departments," says Graduate School Dean Alexander Heard, "our graduate students come for the most part from the South. While well over half of our graduate students seem to come from outside North Carolina, perhaps as few as 15 per cent, overall, come from outside the 11 states of the old, solid, Confederate South. And when they leave us our degree holders, again with exceptions, wind up for the most part in southern locations, especially those who go into college and university teaching, and examination of some recent alumni records shows, for example, that 74 per cent of the active alumni among holders of the PhD degree from our Department of Romance Languages were situated in the South. For graduate alumni in Mathematics, the percentage was 69 per cent. In City and Regional Planning, it was 66 per cent. Among 37 placements of the

—See UNC, Page 52—



From the air the Wake Forest campus depicts symmetry and good planning. Moved to Winston-Salem in 1956, the Baptist college currently has enrolled over 2,800 students. The College was founded in 1834 in Wake County. Its alumni today numbers about 15,000. Graduates in '61 numbered 391.

WAKE FOREST ATTRACTS OUT-OF-STATE STUDENTS BUT TREND REVERSING AS MORE TAR HEELS ENROLL

RUSSELL BRANTLEY, *Director, News Bureau*

Throughout its history Wake Forest College has been particularly proud of the numbers of students who have become a vital part of the life of North Carolina.

Although the College is considerably more cosmopolitan today than it was, say 10 or 25 years ago, the tradition of service to the state and to the South remains a strong one.

Its alumni in the state number about 10,000 and its alumni outside North Carolina about 5,000. Its list of alumni is growing appreciably with its parallel growth in enrollment. For a while after the move to Winston-Salem, the College attracted an increasing number of students from out-of-state. Applications from this group continue to grow but more recently there has been a trend toward more North Carolina students.

It is also a general feeling at Wake Forest that North Carolina and the South are attracting more Wake Forest graduates than may have been the case seven or eight years ago. The old cry that the North or other sections of the country are getting the best graduates simply isn't being heard as much as in previous years.

Current enrollment is over 2,800 with about 1,800 from North Carolina and 1,000 from out-of-state. This is in every area of the College's operation. They are the Schools of Arts and Sciences, Business Administration, Law and Medicine as well as evening classes and the newly assumed graduate program. The graduate program was started again this fall with the College offering the master's degree in biology, chemistry, English, history, mathematics and physics. Additional areas will be included as soon as more funds become available.

With current enrollment over 2,800 it's safe to assume that it will be considerably larger in 1972 because of the growing number of potential college students. No specific cut-off point has been determined at Wake Forest and probably no hard-and-set figure will be reached because the College will attempt to adjust to demands as they arise. However, one figure that is often used in considering future enrollment is 3,500. Whether this really will be the maximum between now and 1972 is anybody's guess.

More Remaining In State

A placement office, headed by Prof. Jasper L. Memory Jr., helps many students find jobs while a still larger group continues to find employment on its own initiative. At present, there is no accurate figure on how many recent graduates have remained in the state but as was pointed out earlier the number taking jobs in North Carolina and the South is growing.

During the last school year, 1960-61, 391 students graduated from Wake Forest College. Of this number 30 per cent are this year continuing their education. In this group 53 are in seminaries, 18 in law schools, 17 in medical schools, and the others in various branches of learning.

The remaining 70 per cent—those not continuing their education—is distributed as follows:

Teaching	26%
Business	20%
Other Work	12%
Military Service	12%

Wake Forest, founded in 1834 in the County of Wake, has been in Forsyth County since 1956. There have been tremendous changes but the College at heart remains a place where old and new ideas rub shoulders. It's a place where young people are given the opportunity to think and develop, to train themselves for the practical affairs of a work-a-day world; it's a place where they can find a spiritual maturity that better equips them for society and at the same time prepares them to face the solitude that is each man's lot.

SOUTHERN PILGRIM

No Information Available

UNC WOMAN'S COLLEGE

See Page 38

WARREN WILSON

See Page 38

WINGATE

See Page 38

Western Carolina

Takes Pride As Educational And Cultural Force

LILLIAN HART
Director of Publicity

From its founding in 1889 until the change to its present status in 1953, Western Carolina College existed solely for the purpose of training teachers. Practically all of its graduates entered the teaching field. There are numerous exceptions, of course, but they account for only a small percentage of those who completed the college program.

In the late forties, the picture began to change significantly. A great many students enrolled here who wanted a college education, but did not wish to teach. The college was conveniently located for many of them, and was relatively inexpensive to attend; but usually these students found they would need

(Continued)

to transfer later to some other institution to complete their training.

When it became apparent that the college was not meeting the needs of the young people of the region, machinery was set in motion to broaden the curriculum. Teacher education is still a prominent part of the college offering. Now, however, students may obtain degrees in many other fields, such as the sciences, arts, industrial arts, drama, journalism, languages, home economics, and business administration. Alumni records show that our graduates are well represented in a wide variety of work classifications. Each year, also, an impressive number of our seniors receive fellowships and scholarships to continue in graduate study in some of the nation's leading universities.

For purposes of this report, statistics for the 1961 graduates will be cited as reasonably representative of the trend within the past ten years.

Of the 262 bachelor's degrees granted in 1961, 143 (or 54.6%) were the bachelor of science in education. From this group 122 (or 85.3%) actually entered the teaching profession, 92 (or 75.4%) of them in North Carolina. The remainder are teaching in Florida, Virginia, California, Georgia, South Carolina, Alaska, Maryland, and Pennsylvania.

Business Placement Office

The remainder of the graduates are distributed among the bachelor of arts degree, the bachelor of science in business administration, and the bachelor of science in other subject fields. While we have no exact statistics on their employment, we do know that several of the young men decided to complete their military service obligations immediately after graduation. Our business placement office arranged interviews with employers for all students interested in business careers, and by the end of the fall quarter, 1961, all had been placed. Their employment covers such fields as finance, merchandising, manufacturing, government services, and family businesses. We have not heard of any of our graduates who are unemployed.

Western Carolina College is largely a regional institution, being located in the mountains of the extreme western end of the state. It began in an era when bad roads and limited communications kept the mountain area in a relatively isolated condition. For many years, however, its name and influence have spread so that now our students come from every part of North Carolina and from several other states. It appears that a majority of them remain in this state for their post-college careers.

The college takes considerable pride in the fact that it serves as an educational and cultural force not only in its own region, but throughout the state from which it derives support.

Not Unmindful Of Employment, WSTC Plans Placement Bureau To Seek Jobs

Winston-Salem Teachers College News Bureau

The Winston-Salem Teachers College, located in Winston-Salem, is a four year co-educational institution which had until recent years largely confined its activities to preparing persons for service in the field of elementary education. In 1953, nursing was added to the school's program, and in 1957 the charter of the college was amended to include liberal arts and any other specific training which the State Board of Higher Education should wish to include.

1078 Enrolled

The college offers the bachelor's degree in elementary education, nursing education, and the liberal arts. It is fully accredited by the appropriate state and national accrediting agencies; and it holds membership in the Southern Association of Colleges and Secondary

WINSTON-SALEM TEACHERS COLLEGE SCHOOL OF NURSING

Schools, and the American Association of Colleges for Teacher Education.

One thousand seventy-eight students, a fourth of which are male, were enrolled in the college at the end of the first semester of the 1961-62 school year. Twenty-nine per cent of these students are from Forsyth County, the county in which the school is located; 61% are from 81 other North Carolina counties; and the remaining 10% are from 18 states other than North Carolina and the District of Columbia. The college is looking forward to having an enrollment of 3,000 by 1975.

During the 1960-61 school year, 236 of the 1094 students who enrolled dropped out during the quarter of enrollment, or did not enroll for the following quarter. (The college is now on the semester system). This figure is a little more than 22% of the student body. While out-of-state students comprise about 10% of the student body, less than six per cent of those who drop out are out-of-state students. The drop-out rate among nursing students is much lower than the drop-out rate for the college as a whole. The above statistics are taken from the 1960-61 enrollment, but it is believed by the registrar that these figures are typical of the drop-out rate of the college.

One hundred forty-three students were graduated from the college in 1961. This number represents about 13% of those enrolled for that year. Of this total number of graduates, about 25% were nursing students. However, this was an unusually large nursing class.

Statistics on the employment of graduates of the college are rather sketchy as many of those who secure employment often fail to inform the college of their employment status. However, it is estimated by those who have given thought to the matter that around 95% of those who are graduated in teacher education go into teaching; and that of this number, 75 to 80 per cent of these persons remain in North Carolina. Most of those who go to other states to teach, usually have their first teaching experience in North Carolina. This is true of out-of-state as well as state students. Of those who finish in nursing, it is believed by the Director of the School of Nursing that every single graduate has entered the field professionally. While less than 10% of the nursing students are from out-of-state, the Director estimates that more than 20% find employment in states other than North Carolina. Unlike the school of education graduate, a large percentage of the nurses have their first work experience in a state other than North Carolina.

Graduates largely secure employment on their own as the college has no placement bureau. Yet the college is not unmindful of its responsibility in this area. Students are advised about procedures and sources for securing employment, and they are given assistance by the administration and faculty who they are in touch with a prospective employee. (A placement bureau is now being established at the college.)

Employed In 50 States

Graduates of the college are employed in a large number of the 50 states. They range from Massachusetts to Florida and from New York to Texas and California. In addition to the fields of education and nursing graduates of the college, many of whom attend other schools in large numbers, graduates are found in various other fields of employment. These fields include: recreation, professional athletics, social work, law enforcement, banking, fire fighting, armed services, sales work, clerical work, the ministry, postal service, funeral directing, dentistry, medicine, and operators of numerous private enterprises.

Adult Education Part Of Wilmington Program

WILLIAM M. RANDALL, *President, Wilmington College*

Wilmington College is one of the five partly state-supported community colleges in North Carolina. It was founded in 1947 by the citizens of New Hanover County, and until 1958 was a completely locally supported institution operating under the County Board of Education. In 1958, the Board elected to place the College under a separate Board of Trustees, and it was incorporated as a State Community College under the provisions of the Community College Act of 1957. It now occupies new buildings on a new 620 acre campus approximately five miles from the center of Wilmington on route 132.

The enrollment during the Autumn Quarter of 1961 was 682, of whom 645 were North Carolina residents and 37 were from outside the State. Most of the students live at home and commute daily to the College. The largest number are from New Hanover County, with significant numbers from Brunswick, Pender, Columbus, Sampson, and other near-by areas.

Since Wilmington College is a two-year institution, approximately 75 per cent of the students transfer to senior institutions to complete their work for the baccalaureate. The College offers university parallel courses in the following fields: liberal arts, business administration, engineering, forestry, law, science, elementary education and secondary education. The College also offers two-year terminal programs in medical technology, business administration and accounting, general business and secretarial science, merchandising, and engineering technology. The degree of Associate in Arts is awarded for the successful completion of all courses.

The only students who take employment directly after graduation from Wilmington College are those completing the terminal courses. Almost all of these students accept employment in the fields in which they have been trained, many of them continuing to work for the same employers for whom they worked part-time while attending classes. Others find positions through the College Placement Bureau, through the Employment Security Commission, and through personal contacts. With few exceptions, these graduates remain in North Carolina. Graduates who continue their education in senior colleges generally follow the patterns of these colleges in their employment after graduation.

It is estimated that approximately 40 per cent of the students who enter Wilmington College do not complete the requirements for graduation. This is due to many reasons. Although a satisfactory score on the Scholastic Aptitude Test is required for admission, there are some academic failures. Financial difficulties and service obligations cause other students to leave. But it must be noted that many of these students who do not actually graduate nevertheless do transfer credits earned to senior colleges and do continue their education.

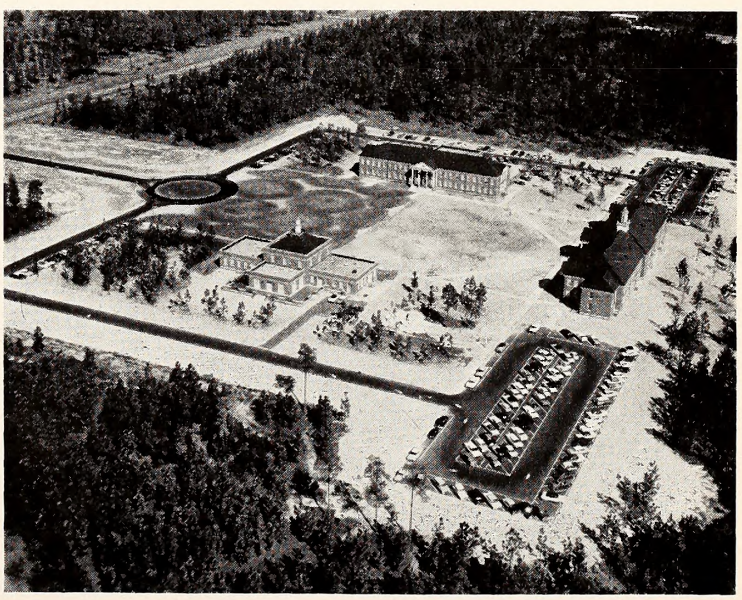
The College has been growing very rapidly during the past five years. In

(Continued)

In Wilmington College's advonced class of typewriting, emphasis is ploced on speed and accurocy. An enrollment of 1500 students by 1972 is expected.

Studying Hoak's Law, students Fronk Brawn, Tony Carter, and Tony Schegel (left to right) set up a stroin-prapartion demanstratian in physics lab.

one Malpass and Merle Norris study plont life, o part of Wilmington ollege's Botony course. A two-year school, the callege tronsfers obout 75 ercent of its students to senior institutions to camplete their degree re-uirements. Severol terminal caurses are also offered at Wilmington.



To date, three buildings hove been completed an the Wilmingtan compus. They are the librory-administration building, the student services building, and Haggord Hall, a class room building. The campus includes 620 ocres ond was founded in 1947. Mast students come from a five-caunty orea.

the fall of 1956, 476 students were enrolled, and in the Fall of 1961, 682. A careful projection of enrollment shows that by the Fall of 1972, the College will enroll at least 1500.

Besides Wilmington College itself, the Board of Trustees also operates the Williston Unit of Wilmington College for Negro students. Classes for this unit are held in the Williston Senior High School building, with an enrollment of approximately 65, about half of whom are preparing to transfer to a teachers college.

Besides the regular students in both units, the College also furnishes instruction in basic sciences for students in the James Walker Memorial Hospital School of Nursing and in the Community (Negro) Hospital School of Nursing. The College also conducts a large program in Adult Education for the community, a program in which some 700 individuals are enrolled during each year.

SMALL COLLEGE IN METROPOLITAN AREA, QUEENS OFFERS MANY OPPORTUNITIES

Queens College Public Relations Office

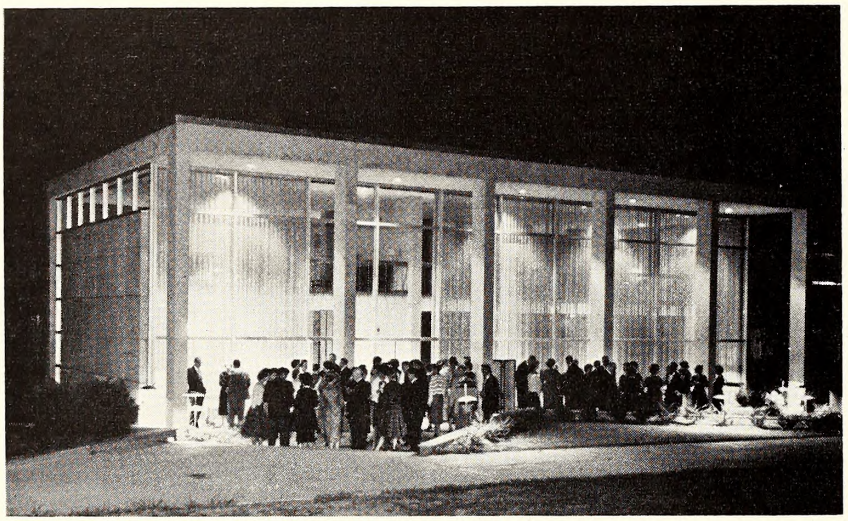
Into what kinds of positions do graduates of the woman's liberal arts college go? If Queens College, Charlotte, North Carolina, is a typical example, the 1961 graduates entered some ten different fields which included teaching, journalism, library work, psychology, business, nursing, Christian education, medical laboratory technology, music, and graduate study. One-half of the graduates remain in North Carolina, and a number combined marriage with a career.

Again taking the class of 1961 as an example, the young women secured the positions in several ways: many through the college placement service, some through personal contacts, and others through letters of application written on their own initiative. The college placement service planned off-campus as well as on-campus interviews with prospective employers, furnished dossiers of information concerning the training and recommendations of graduates, and guided students in selecting businesses, schools, and other agencies and organizations in which their services might be needed and desired. Faculty members within the various departments of the college gave valuable vocational counseling to students majoring in their respective fields. At the present time the faculty advisors and the staff of the placement bureau are making an effort to introduce students to new fields in which liberal arts graduates are qualified to give service which is enhanced by the broad cultural background of the liberally educated person.

A small college in a metropolitan area Queens offers numerous opportunities for students to acquaint themselves with prospective positions. For the past five years students attending from North Carolina have numbered approximately 250 annually. The present enrollment of the college is 530 with an expected increase to 850 in the next ten years. Students receive the bachelor of arts, bachelor of science, or bachelor of music degrees. Retention of students has increased over the past five years with only 28 dropping out in 1960-61.

Looking back over a five year period alumnae records show graduates entering the following fields not mentioned above: chemistry, mathematics, social work, home economics, youth work, and recreation. Queens students who enter the teaching profession must also have an academic major. Teaching claims more graduates than any other field. Many of these graduates remain in the Carolinas, and a number of public school superintendents and principals from the Eastern Seaboard make annual visits to the campus to recruit teachers. Government agencies and representatives from national organizations also make these yearly campus trips, speaking to students in a group and interviewing individuals.

A recent increase in scholarships available at Queens has attracted a number of students vitally concerned with research and advanced study. This combined with a strengthened faculty and expanded physical facilities promises to give even greater force to the program of the college.



The Harris residence hall at Queens College. The college presently has an enrollment of 530 students with an expected increase to 850 within the next ten years.

Well lighted and comfortable, Everett library offers modern facilities to Queen's students. About one-half of the graduates from Queens College remain in N. C.

Employers Interviewed Almost 3000 Carolina Job Hopefuls In 1961

By J. M. Galloway
Director, UNC Placement Service

Visiting recruiters D. B. Dunlevey and W. B. Franz interview graduate student Julian Carr. Last year a total of 2,892 interviews were held between students and employers. Employer recruiter visits numbered 412. Prior to interviews with employers, each student is registered, interviewed and counseled by the UNC Placement Service. Eighteen percent of out-of-state students take employment in N. C.

The Placement Service at the University of North Carolina is a center of activity the year round. However, the months of November, December, January, February, and March are unusually busy ones with company recruiters and placement staff, under the direction of J. M. Galloway, working overtime in the all consuming tasks of helping place seniors, graduate students and alumni of the University in the best possible jobs. Even undergraduates find information and assistance in their search for temporary summer positions. But the primary mission of placement remains that of assisting students secure permanent positions in business, industry, and government, as well as in the college teaching field.

During this period of concentrated activity, four to six organizations interview students daily—as many schedules as the over-taxed facilities will allow—with a total of 412 employer recruiter visits being made in 1960-61. As a result of these visits, a total of 2892 interviews were held between students and employers last year. Each interview schedule requires considerable arrangements: preliminary correspondence with each recruiter, scheduling of private interview rooms, making of hotel and luncheon reservations, displaying company literature, publicizing of job openings, notifying and making appointments with appropriate students, and collecting personnel data on each registrant.

Job-Seeking Season

Additional job requests listed with the office by mail and telephone totaled 652 last year. Thus, all lines of communication remain busy at 204 Gardner Hall during the height of the job-seeking season.

Despite its widespread activity, the Placement Service does not claim to guarantee jobs to all its registrants. Rather it seeks to guide, to counsel, and to convey knowledge of existing jobs and job-hunting techniques. Each of the nearly 1000 students who register annually has an interview with the director or his assistant, at which time the personal goals of the applicant are discussed and the method of making the best use of the Placement Service is outlined. This individual counseling done with each student is perhaps the keystone of the service. In addition to bringing employers to the campus and arranging interviews with the students, the Placement Service prepares and sends to potential employers the personnel record of each suitable registrant, and maintains a "Career Library" in 206 Gardner Hall, making available job literature and company information.

An indirect yet vital function of the Placement Service is that of public relations. To many a recruiter this office represents the University; every attempt is made to maintain an atmosphere of cordiality and helpfulness. J. M. Galloway, Director of the Placement Service, carries the responsibility even further by visiting employers throughout the state, especially to acquaint new industries with the services offered by the placement office. In addition, this year he

J. M. GALLOWAY

gives much time to his office of president of the Southern College Placement Association, an organization made up of 500 members—college placement directors and employers who recruit on college campuses in the southeastern area.

Another important function of the Placement Service is the follow-up on each registrant. Finding out individual vital statistics on job acceptances are necessary to assemble and analyze a collective picture of the job situation each year. What type of jobs do recent college graduates accept? What starting salaries do they make? Where do they locate? The annual report of 1960-61 compiled from information received from registrants gives an answer to these questions. Of those going into jobs other than teaching, 11% of the men entered the field of accounting; 9% went into banking and finance; 7% entered the textile industry; 7% entered the insurance field; 7% went with the U. S. Government; 6% accepted employment in the business machine industry; 5.8% entered the chemical or pharmaceutical field; 5.4% took jobs in retailing; 5% entered light manufacturing; 4% accepted positions in service organizations; 3.5% found jobs in state or local government. The remaining 29% took jobs in a wide variety of fields.

Salaries for beginning jobs both in and out of state continue to rise each year. The overall median salary received by 1961 BA/BS men graduates accepting jobs in the state was $400 per month. For those accepting jobs out of state the median was $425 per month. Salaries received by graduate students who have completed the MBA program have also increased in comparison with last year's salary figures. A total of 19 MBA (Master's in Business Administration) candidates reported their job facts to the office. These 19 registrants received 55 job offers. The median salary received by the MBA degree holder accepting employment in the state was $525 per month. The median salary received by those employed out of state was $550 per month.

Majority Stay in State

Of the students registered with the Placement Service from North Carolina, 151 out of 241 accepted positions in the state. Of the students with out-of-state residences, 13 out of 72 took jobs in North Carolina. Thus, slightly less than 63% of the North Carolina students chose North Carolina employment, while 18% of the out-of-state students decided to remain in this state. North Carolina students choosing North Carolina employment was 3% higher than it was in 1960.

Through these various services the University Placement Service helps Carolina students bridge the gap between campus and career. For many, the transition is an easy one; for others, difficult. Whichever the case, the Placement Service can and does offer to the students of UNC a guide to careers for college graduates—and advice and assistance along the way.

Employers Vie for Top Students

Springtime Found 600 Recruiters On Duke Campus

Direct student placement is made at Duke University. Mrs. Eugene Smith (left), assistant to the director, and Miss Fannie Y. Mitchell, director of Duke's placement office review an application. This office places about 600 students each year in jobs. Eighty percent of students use the office.

The Duke University Appointments Office is somewhat kin to an officiating minister at the wedding of a young married couple. Each performs a function of paramount importance.

The Appointments Office effects a professional wedding between student and employer, and the clergyman joins newly weds in marital union. And just as the wise minister counsels young people planning to marry, so does the Appointments Office acquaint students and prospective employers with each other's characteristics.

Financed by the University's General Fund, the Office has wide acceptance from employers and averages placing about 600 students each year. Until 1938, job placement was accomplished by department heads and faculty members. In '38 a Centralized Commercial Service was organized, and two years later the Teacher Placement Service, previously handled by the Education Department, and the Commercial Division were combined.

Director of the Duke Appointments Service is Miss Fannie Y. Mitchell who somehow manages to combine social grace, astonishing candor and professional skill. Her placement work has won recognition from colleagues throughout the nation. She has served as president of the Southern College Placement Officers Association and of the National Council of School and College Placement.

Some of the procedures used by the Appointments Office are standard at most any college or university placement office. Industry representatives come to the campus each year and some 600 recruiters will be at Duke this spring.

But Miss Mitchell feels that visitation is two-way. She and her assistant, Mrs. Eugene Smith, annually visit many firms and schools, solidifying contacts that often result in job placements for students.

Long before they become seniors, Duke students learn of the Appointments Office. They receive a letter explaining the function of the Office and they know that its services are available without cost. They become acquainted with Miss Mitchell, too, and her friendship with students helps her office in wise job placement.

When the student becomes a senior, he fills out a comprehensive questionnaire on educational status, interests, special training, military service status, previous job experience, hobbies, extra-curricular activities and other data. He also gives six references, including three from the faculty or administration at the University. One of these references must be someone associated with the student's major. Six copies of these completed forms, each with a copy of his academic record and the student's photograph, are assembled in the Appointments Office for use by company representatives.

These files total a good summation of a student's character and accomplishments, and are indispensable records for prospective employers.

"I feel very keenly that our first responsibility is to the students," says Miss Mitchell with customary frankness. "But I believe we have an almost equal responsibility to industry. However," she adds, "I have tried to be honest and fair to both students and companies. I have insisted that faculty and administration always give honest recommendations and talk frankly and honestly with industrial and school representatives who come here."

Miss Mitchell believes that her office is a coordinating unit with other university departments and colleges, and only through their combined effort and interest can her office offer the type service she desires.

Eighty per cent of Duke students use Miss Mitchell's office, some to obtain summer employment before their senior year.

It is a comfort to Duke alumni to know that, even after graduating and taking their first jobs, they still may use the services of the Appointments Office, provided they have served on a job for at least one year.

UNC Enrollment Almost 10,000

—Continued from page 46—

English Department graduate alumni made in 1960-61, 84 per cent were in the 11 southern states. In a recent year in Chemistry, the figure was 61 . . .

"The overall picture is clear; we draw from the South and send back to the South."

The University of North Carolina currently has an enrollment of 9,072 students. Predictions for growth in the next ten years indicate a student body of around 15,000 by 1970. As the University grows the need for graduates in the labor market, professional areas and elsewhere, also grows. Chancellor William B. Aycock, in a speech to the faculty at Chapel Hill, said that the size of any institution should be frozen at a specified level of enrollment. His questions were: Are there too many doctors being trained? Are there too many school teachers, scientists, business men? The doors of the University, he said, cannot be closed so long as the need for educated men and women exists. When we begin to produce a surplus of graduates in one or more of our programs, Aycock proposed, then we can think of closing the door. In the meanwhile, society continues to absorb Carolina graduates.

Grants for studies in European and other universities are at an all-time high in humanities, allied creative fields, sciences, business, political science, government, philosophy, sociology, art, music, journalism, and many other areas. Fulbright grants and Southern Fellowship grants to UNC students are numerous and UNC leads the south in Woodrow Wilson Foundation Fellowships.

ESC Has Several Key Changes In Personnel

Promotions, retirements, awards and planning were all part of Employment Security Commission activities this winter.

Ernest McCracken, longtime ESC employee and Assistant Director of the Employment Service Division retired on December 31. Alden Honeycutt, former chief of ESC Staff Services, succeeded Mac as the assistant Division Director, and Charles Stone, local office manager at Burlington, moved to Raleigh to take over the seat vacated by Alden's move to another office.

When Stone left Burlington this called for a change of managers, and Grover Teeter, Jr. got the nod to move from Washington. Dwight Leonard, Veterans Employment Representative from Jacksonville was promoted to manager of the Washington local office.

And Commission personnel were saddened in March at the unexpected death of Bonny C. Wilson. The popular Asheville ESC local office manager died while on a Florida vacation. He had served the Commission since 1943 and was named Asheville LO manager in 1948. Bonny is survived by his wife, a son and daughter, and two grandchildren, and representatives from the central office and practically all local offices in the area attended the funeral in Asheville.

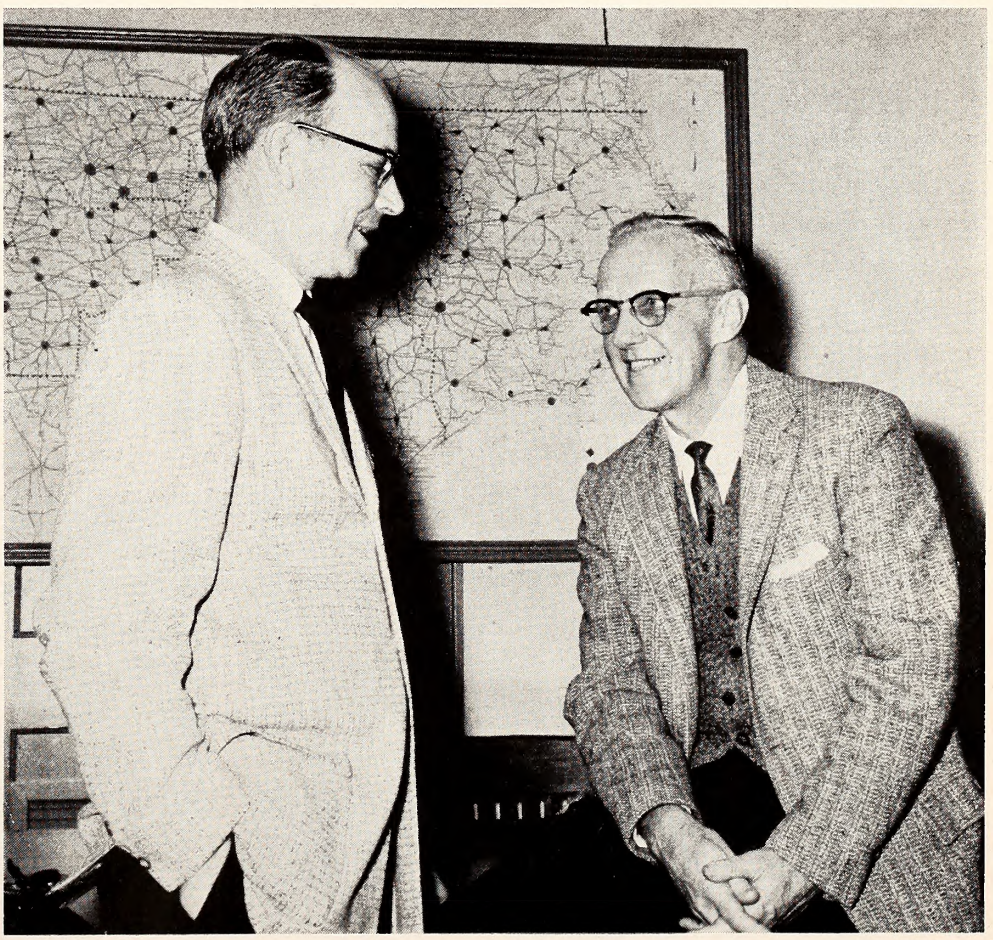
Philip Penland, a '47 graduate of the University of North Carolina and employment counselor at the Asheville office, was subsequently named to succeed Wilson as manager.

As the Area Redevelopment Act progressed in North Carolina, a Char-

—Continued on Page 56—

NEW CHIEF OF ESC STAFF SERVICES, CHARLES STONE

ES DIRECTOR JOE BEACH (RIGHT) AND NEW ASSISTANT, ALDEN HONEYCUTT



GROVER TEETER, JR.
NEW BURLINGTON MANAGER

STATESVILLE,

LINCOLNTON,

GREENSBORO,

SPRAY,

THEN...

HIGH POINT,

ASHEBORO,

BURLINGTON,

HENDERSONVILLE,

STATESVILLE

LINCOLNTON

GREENSBORO

SPRAY

and NOW

HIGH POINT

BURLINGTON

ASHEBORO

HENDERSONVILLE

Twenty-year certificates are presented by Area Supervisor Phil Pollock to (L to R) Mary Godwin, Benjamin Gillikin, and Hughrena MacDonald of the New Bern local office. Gillikin is manager of the coastal Employment Security Commission office.

Edit Glaser retired from the ESC this year. The popular member of the Bureau of ES Research received a set of luggage from her fellow employees. John Houser made the presentation.

lotte man, Hugh Cashion, moved from his employer relations post at the Mecklenburg County local ESC to head up a new job in the central office as a coordinator for the Commission and ARA activities. A busy job, too, as more and more Tar Heel development groups are submitting redevelopment proposals.

A quite unusual incident occurred recently which involved ESC folks. Claims takers from the Elizabeth City local office used a Marine Corps helicopter to visit Dare County communities which were isolated by a late winter storm. The storm wrecked highway and communications systems, and it postponed the regular filing date for Manteo and Buxton residents. Rather than wait for the next scheduled filing date, ESC personnel requested the helicopter to take claims and afterward deliver checks to some 100 claimants in Manteo and 80 in Buxton.

And there were lots of 20-year service certificates presented to ESC employees during the past six months. By the time the QUARTERLY went to press, here are the people who have received the awards: Corinne G. Lockamy, KPO-II; P. T. McLean, FR, Kinston; W. D. Holoman, Chief Counsel; Lawson E. Perry, Clerical Unit Supvr.; Nellie F. Parrish, CE-I; Nancy E. White, CE-II; Sue W. Keller, Clerical Unit Supvr. II; J. B. Harris, Supvr. FR; Edit Glaser, RA; Dorothy G. Merritt, Steno. III; Margaret B. Colvert, RA-II; Clay B. Rich, LO Mgr., Goldsboro; Kirkland W. Clark, VER III, Raleigh; Clarence S. Barnes, Int. I, Raleigh; Elizabeth S. Pope, Int. II, Charlotte; Jane G. Abernethy, Int. II, Hickory; Mary D. Godwin, Steno. II, New Bern; S. D. Smithwick, Int. I,

Dean Davis (left), Director of the Charlotte Industrial Education Center, chats with local office managers Lewis Morton of Concord and Dick Smith of Rockingham. Davis spoke before a regional meeting of the IAPES in Concord, part of a series of lectures on IEC-ESC cooperation

Washington; Hughrena C. MacDonald, Int. II, New Bern; Benjamin F. Gillikin, LO Mgr., New Bern; John Bennett, LMA-I, Asheville; Clara W. Parker, Int. II, Wilson; Andrew C. Carter, Int. Asheville; Julia P. Tenny, LO Mgr. Morehead City; Tressel Hawkins, Int. II, Charlotte; Ralph E. Miller, LO Mgr. High Point; Claude C. Whitley, LO Mgr.

Another ESC retiree was Clarence Barnes left) longtime Form Placement interviewer with the Raleigh local office. Manager Lee Craven presented Barnes with his 20-year certificate. Bill Langley (right) takes over the farm placement work for the Raleigh office. Langley is a retired chief petty officer from the Navy—out after 20 years of active military service.

The Asheville local office of the Employment Security Commission hod recipients of 20-year service awards. They were John Bennett (left) Andrew Carter. Area Supervisor Henry Parker makes the presentation. photograph was taken and used by the Asheville Citizen Times.

The three dress-a-likes ond look-a-likes in the tap photo are the very ottractive daughters af Mrs. Mortha Tala of the Claims Deputy Unit in the central affice. Martha is partially hidden behind her older daughter. The picture was taken during the Christmas party an the central office third floor. The unidentified young lad in the middle photo oppears somewhot perplexed to be surraunded by o sea af wamanhaad. The entire central office gathered for entertainment and carolling an the day befare Christmas halidays.

Albemarle; Maude H. Kilian, Int. I, Henderson; W. Alan Knight, LO Mgr., Lexington; Herman Wellons, LO Mgr., Kinston; Ruth W. Allison, Int. I, Goldsboro; and Noreen M. Quern, Int. I, Charlotte.

George Everett, Jr., manager of the Charlotte local office received quite an honor recently from the Charlotte Chamber of Commerce. For his work in obtaining 100 members of the civic group, George was awarded a gold engraved life membership card in the Chamber of Commerce. He is the only person to hold both an honorary and life membership card.

And in early May, the state IAPES Convention was in full swing with competition running for state office holders. In one of the closest elections in years, J. B. Harris won the state presidency over Edson Bates by a scant 23 votes. (See page 86) Other officers elected were James Tew, James Filipski, and Joan McIntyre. Director of the U. S. Employment Service, Louis Levine, was featured speaker at the Convention along with Marion Williamson, director of the Georgia Employment Security Commission. Levine told the group that the employment service is "the key to manpower development within the country."

The last six months were cram-packed with activity for the ESC, and with the Manpower Training and Development Act in force, the Commission takes on more responsibility to the people of North Carolina.

'. F. Renfrow (left), Chief Appeals Deputy, presents a 20-year certificate to Luther T. Pierce, Appeals Deputy, upon his retirement. In the right photo, argaret B. Calvert, Research Analyst II, ESC central affice, receives her 20-year certificate fram E. Stanhape Dunn, Supervisar of Reparts and Analysis.

Proper Culling Would Help

JOBLESS PAY BENEFITS ABUSED BY SOME

By Paul F. Fogleman, *Staff Writer, Hickory Daily Record*

It would take a mammoth barrel, indeed, to hold 17,000 apples.

And imagine the task of keeping separated the rotten apples of such a pile to prevent the entire barrel from becoming spoiled.

Essentially, that is one of the major jobs of personnel assigned to the Hickory offices of the Employment Security Commission.

An estimated 17,000 workers are employed in Hickory, with the large majority of them covered by the Employment Security Act.

Many still refer to the Law as the "Unemployment Compensation Law" although the name was officially changed by the North Carolina State General Assembly's amendment, passed in 1947.

Many Benefits Involved

However it may be known today, it continues to exist as one of the more beneficial—but confusing—programs in operation for the benefit of the blue collar and white collar worker, alike.

It is NOT a social welfare program. It is NOT designed to function as a charity—that is quickly pointed out to any one who asks.

Officials at the Employment Security Commission offices insist that it is an insurance program supported by a tax levied against payrolls.

This program is not to be confused with the Social Security program. The employer carries the full financial costs of the program. The worker makes no contribution.

Only those establishments employing four or more persons 20 weeks or longer per year are required by law to participate. Charitable and educational institutions are exempt.

The amount the employer pays depends on his payroll and his labor force. It varies between two-tenths of one per cent (.2) and 2.7 per cent of the payroll.

Assessment levied against payroll is determined by the Commission's accounting offices in Raleigh. The number of employees, the size of the payroll, plus the anticipated size of an adequate reserve account are contributing forces.

Many factors also take in the ratio of turnover. Once a reserve account is built up to adequately take care of the payroll and turnover, it can be expected that the assessment rate will be reduced, Mr. Boyles explained.

Claimants for jobless benefits who are ruled eligible participants may draw from $11 to $35 per week up to 26 weeks, the amount determined by the payroll earnings of the last job.

Who is eligible?

The North Carolina Law requires that the claimant must be out of work through no fault of his own, be able to work, available for work, willing to work and actively seeking employment.

"Able to work" is interpreted as meaning that he be considered ready to work at a type of job, in some cases, other than that for which he was engaged prior to the termination of his last job.

For example: A woman may have been employed in a hosiery mill as a boarder before she lost both legs in an accident. Certainly, she could not return to that same job but she may be qualified to accept a job as a sewer in a furniture plant.

And one of the most important qualifications is that the claimant, to be eligible for unemployment insurance, must have earned $550 during any two of the four quarters before his severance from the last place of employment.

Generally this is the law. Specifically there are more requirements on the claimant and fewer loopholes through which he can be declared eligible.

Few Cases of Fraud

In North Carolina only two-tenths of one per cent of the participants in the program are prosecuted for fraud. Officials charged with administering the program say that most frauds involve those persons who continue to draw weekly benefits after they have secured employment elsewhere.

Hickory's "barrel" of 17,000 workers has few cheaters, who are actually prosecuted for fraud, although H. D. Boyles, head of the local office, and Charlie Durham, claims deputy for Catawba and Lincoln counties, figure that only about one or two per cent of those in the labor market is responsible for the headaches.

"The average turnover in Hickory's larger plants is about two per cent," Boyles says. "Generally the trouble makers are in this group," he declares.

Included in this group, he observes, are most of the claimants who draw employer complaints of all sorts due to their negative approach.

"You don't need anyone, do you?" hosiery manufacturers hear from applicants altogether too often. This approach is not uncommon from a claimant "actively" seeking employment.

"I don't have problems with my employees. But it makes my blood boil when a person drawing unemployment compensation comes to apply for a job and then acts as if he is scared to death that we will hire him," a businessman complains.

Maternity Leaves Problem

Maternity leaves have brought forth wails and threats from both employees and employers who are not familiar with the law.

If a woman quits her job because of pregnancy, she cannot draw compensation until three months after the baby is born. If she cannot find work within 26 weeks, the payments stop.

Suppose a job is available at her last place of employment but she does not choose to return?

She may be penalized a number of weeks on her length of eligibility for compensation. "But this is a free country," Mr. Durham declares. "In this country a person may work where he chooses just as an employer may hire whom he chooses." Thus, it seems, she may draw jobless pay rather than even seek return to her old job.

Mr. Boyles and Mr. Durham, both veterans of almost two decades of service with the program, are quick to point out that the success—and flexibility—of the program depends on the cooperation of employers.

If the employer is not satisfied that the claimant, a former employee, is eligible for benefits, he may call for a hearing.

Then, there is the course of appeals. And those appeals may be carried in various stages to the Supreme Court if necessary.

Testify Under Oath

All testimony of claimants at a hearing or during the application is taken under oath. The employer or his representative also is allowed to testify and his testimony also is taken under oath.

When both parties are represented, it is the duty of the claims deputy to render a decision. That decision may be appealed by either party.

Otherwise, the testimony of either party—if not contested—must be accepted as competent facts. This re-emphasizes the necessity of employers cooperation with the Employment Security Commission. Yet, frequently many employers while grumbling about the law, waive their rights to a formal protest which might be upheld.

"Our large mills and most of the more competent operations always have representatives appear at hearings. They can be counted on by the clock," Mr. Boyles says.

Management complaints, he adds, generally come from those firms which do not have an adequate personnel or an employee relations program in operation.

"Remember, before people can create problems or file a claim, some employer must have made the mistake of hiring an employee and allowing him to work long enough for him to earn $550 within the two quarters for eligibility," Mr. Boyles points out—indicating a close scrutiny of beginners and an early week

—See ABUSE, Page 82—

JOB ANALYSIS AT . . . DUKE UNIVERSITY

BY CHARLES LOVE

ESC Occupational Analyst

ESC INDUSTRIAL SERVICES REPRESENTATIVES ON DUKE CAMPUS.

For years the Industrial Service Section of the Employment Security Commission has offered employers special services in the field of job analysis. The approach and the final products have been geared to the particular needs of the firms requesting assistance. As a result, a considerable variety of job analysis products have been prepared. Among these are job specifications, physical demands analyses, and comprehensive plant surveys including descriptions of all positions. Frequently, these surveys have included supporting sections showing organization charts, process flow charts, and photographs. Such products have been useful to employers in both personnel and production activities. As an additional service, turnover and absenteeism studies have been made for employers.

Useful to Employers

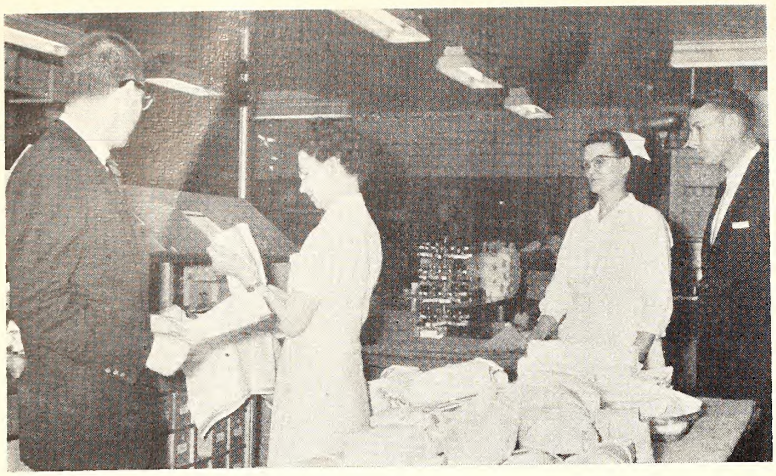
About ten years ago, the Industrial Services Section began a logical extension of its service to include the preparation of position classification plans. This, briefly, is a grouping of all jobs or positions into classes, a study of the jobs within the classes, and a study of the relationship of classes to each other as to responsibility, skill level, educational requirements, experience demands, and other factors. This product is useful to employers in such actions as recruitment and placement, employee evaluation, job and wage evaluation, training, and planning for better utilization of workers.

Requests for the preparation of position classification plans have increased. Present commitments will, for the next two years, take up most of the time we can devote to this type of service. During the past decade, we have prepared such plans for a considerable variety of firms and organizations including metal fabrication plants, garment factories, motor freight lines, and county governments.

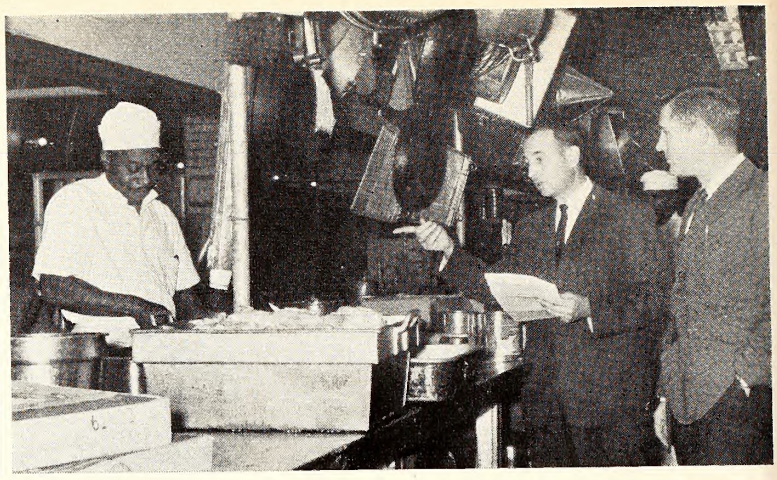
University Requests Study

During the latter part of 1960 we received a request from Duke University and its Medical Center for a position

—Continued on page 61—



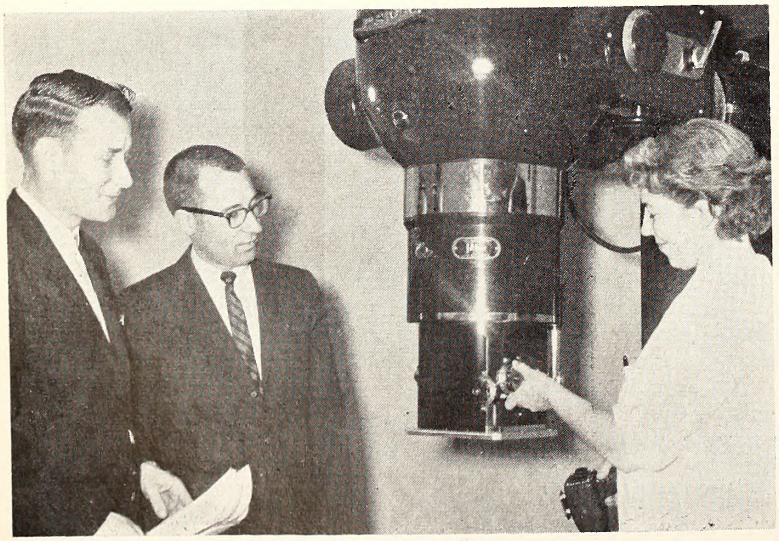
Robert Hall, right, Duke Medical Personnel office, and ESC Occupational Analyst Tom Bumgarner observe the work of Nannie C. Sumlin and Gretchen Cheek, RN, in central supply nursing service. Surrounded by sterilization equipment, the ladies are medical supply assemblers. Table after table of supplies awaited delivery to various hospital departments and wards.



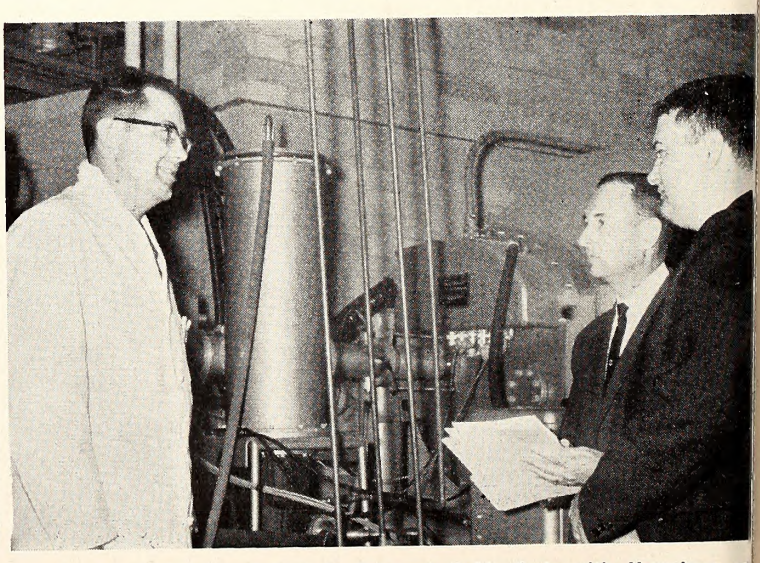
Alfred S. Stephens, right, personnel manager of the dining hall, listens to comments from Carl Harrelson, Jr., Occupational Analyst. Dining hall operations and its related occupations came under the scrutiny of the job study. Approximately 3,500 employees of the University and Medical Center were included in position classifications as a result of the survey.

Bill Christian, University Personnel officer; R. A. Schroeder, Digital Computer laboratory; operator Nancy Watkins; and Tom Bumgarner watch the operation of a 7070 computer. Used by all departments on the campus, the high speed digital computer was installed in June, '61. Duke University is one of few colleges in the nation to have such an advanced business machine.

The men responsible for administering the Duke job classification studies: (L to R) Robert Hall; Charles Love, in charge of the project for the ESC; Bill Christian (standing); Tom Bumgarner, and Carl Harrelson, Jr. Excluded from the study were all teaching positions and certain top supervisory and administrative positions. Hall and Christian were trained for the job study.



Hall and Bumgarner get first hand information from radiation therapy technician, Helen Tillery. Early last summer the job study started with questionnaires, employee interviews, and class specification preparation. Total classifications numbered over 350 and the classification study was completed by the Employment Security Commission in December.



Accelerator technicion Robert L. Rummel (left) chats with Harrelson and Christian. Rummel operates a three-million volt Van de Graaff particle accelerator commonly known as an atom smasher. Part of Duke's Physics Department, the accelerator is used by PhD candidates for graduate experiment performance. Picture was taken in the atomic structure laboratory.

classification plan. If taken, this job classification survey would be the largest undertaking ever attempted by our occupational analysts, so to aid our decision several conferences were held between administrative officials of Duke University and the Employment Security Commission.

Following the initial conferences, ESC officials suggested to Duke representatives that they explore other avenues of services. They did, but found no organization that offered a service that met their requirements. The request made to the Commission then became official.

Making the decision were ESC Chairman Henry E. Kendall; Employment Service Director, J. W. Beach; Assistant ES Director, Alden Honeycutt; and Edson Bates, Jr., Industrial Services Supervisor. Duke Representatives were Dr. Deryl Hart, President; G. C. Hendricksen, Assistant to the President; Assistant Provost, Dr. Frank T. de Vyver; W. G. Cooper, University Personnel Director; and George B. Kantner, Personnel Director of the Medical Center.

Our services were offered on the condition that the University employ two personnel technicians to be trained by the ESC and to assist in the preparation of the position classification plan. William Christian and Robert Hall were hired by the University and assigned respectively to the personnel office of the University and Medical Center.

I was given responsibility of directing and supervising the preparation and training for Christian and Hall, and in the procedures and techniques involved. These men received formal training for one week and then spent several weeks with us in on-the-job training as our group worked on another job classification survey. Then conferences were held with groups of top administrative and supervisory personnel to explain the program and the questionnaire method of obtaining job information for the study. The personnel technicians of Duke then spent several weeks distributing questionnaires to the more than 3,000 employees in the many departments and subdivisions of the University and Medical Center.

Duke University President Dr. Deryl Hart returns a report to Occupational Analyst Charles Love. George B. Kantner (standing), Personnel Director for the Medical Center, and W. G. Cooper, University Personnel Director accompanied Dr. Hart as representatives of the University during the initial planning stages with the Employment Security Commission.

Early last summer we began processing the questionnaires, interviewing employees, and preparing class specifications. Two other occupational analysts of the Employment Security Commission, Carl B. Harrelson, Jr., and Tom J. Bumgarner, were assigned to the project. The three of us were unable to spend full time on this assignment, for the Industrial Services Section has many other functions, including test development. The two personnel technicians of Duke proceeded with the work. Before the study was completed, they had become fully immersed in the philosophy and techniques of position classification and had become quite proficient in preparing position classification specification. Other employees of the University and Medical Center personnel offices provided much clerical assistance.

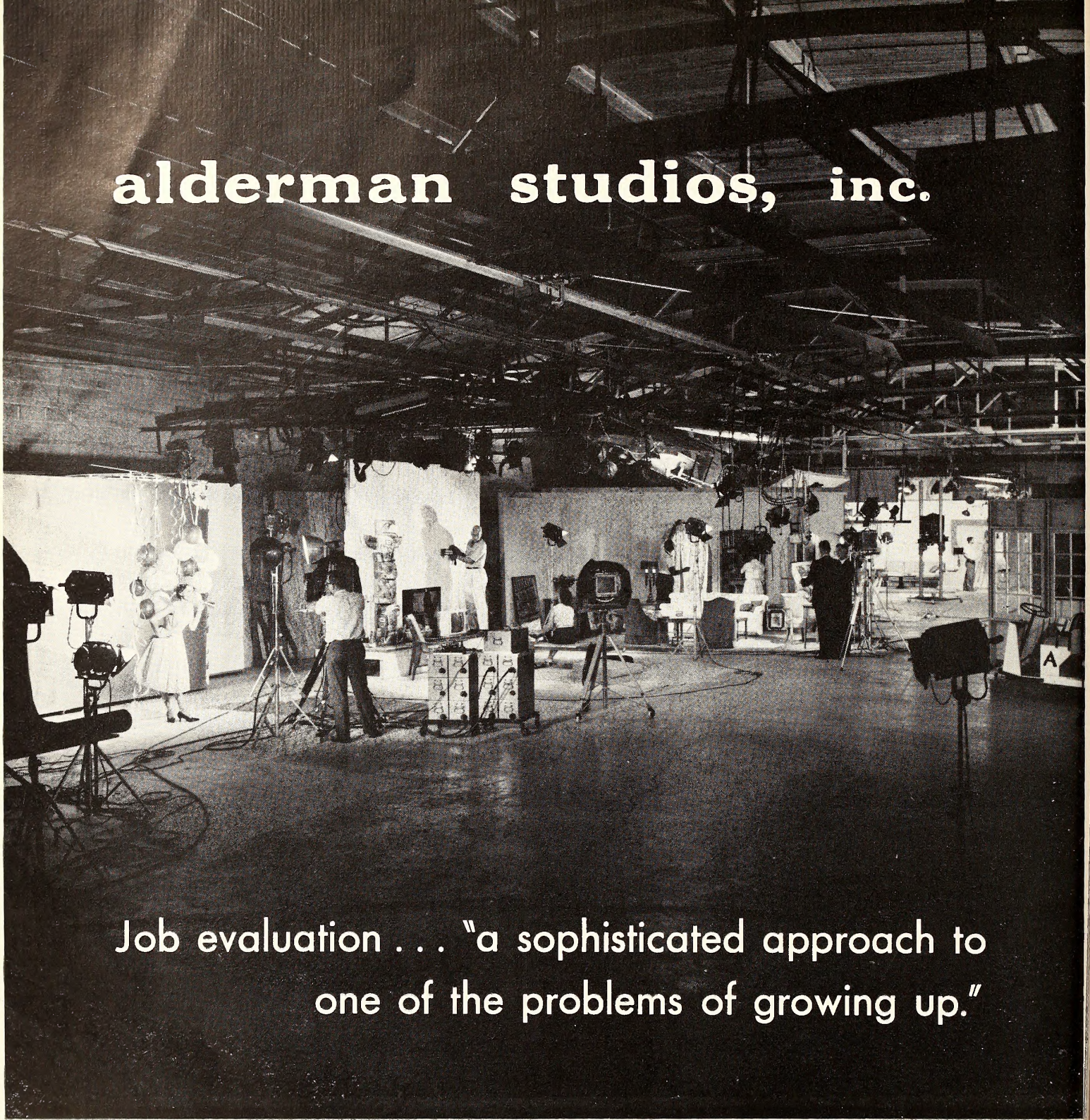
Involved 360 Position Classes

Position classification of approximately 3,500 employees of the University and Medical Center were included in the job survey. Excluded from the study were all teaching positions and certain top supervisory and administrative positions. The University and the Medical Center were treated as separate entities, although their relationship to each other was given full consideration in the final allocation of position classes to levels of difficulty and responsibility.

The University plan has about 225 position classes. The Medical Center plan has approximately 135 classes of positions. About 45 position class titles are common to both studies so the total of all class titles is just over 300. The contribution of Employment Security Commission personnel to this project was completed in December, 1961.

—See JOB STUDY, Page 82—

Hall, Kantner, and Cooper (left) and Bumgarner, Harrelson, Christian, and Love talk with Duke University Business Manager John M. Dozier center). Acting in an advisory capacity, Dozier, along with deans and other department heads, contributed invaluable assistance to the successful completion of the job survey. The University and Medical Center were considered separtely.



JAMES W. WADSWORTH, *Aldermon Studios, Inc.*

The growth of a small company can (and usually does) produce growing pains of many types. Alderman Studios, Inc. of High Point can vouch for the authenticity of this statement having experienced rather dramatic and unusual growth in the past 15 years. The experience of this firm indicates a need for emphasis of time and attention on four major areas of corporate management as follows:

1. Markets.
2. Plant Capacity.
3. Capital Structure.
4. Organizational Structure.

The above functions cannot be ranked in order of importance but rather must be kept in a state of delicate balance regardless of circumstances that may exist. Management of a small company finds itself in the position of a tight rope walker that must keep four balls in suspended stages of juggling all the time—one must be in hand receiving maximum attention while the other three are still under control in the air.

Long before ground was broken for a new 130,000 square foot plant, President Sidney A. Gayle, Jr. had undertaken a careful analysis of future organization requirements which would take full advantage of the anticipated 75% expansion production facilities in the new plant. As a fundamental foundation for re-aligning duties and responsibilities in the new organization, President Gayle relied on job evaluation techniques to give him a more objective outlook.

But first let's take a look at the manner in which Alderman arrived at the point that involved it in job evaluations, job classifications, and organization analysis.

In 1898 . . . A Vision

Alderman Studios was born in 1898 in

the mind of a man who had a vision that photography could be an important tool in the sales presentation of furniture. At that time Sidney A. Alderman had a small portrait studio over the O'Henry Drug Store in Greensboro, N. C. and it took a lot of courage to gamble on such a radical idea as commercial photography. Once the decision was made Alderman acquired a small house on Willowbrook Street in High Point in order to be near the furniture industry he hoped to serve.

Hardly aware of their new photography business neighbor, the furniture firms were beginning to grow into national prominence. They soon began to see problems in their old traditional methods of loading samples on trucks, driving about the country and selling to dealers from these samples. It was not long before they recognized the potential of Alderman's photography as a valuable sales tool. First one and then another experimented with photography and each discovered that this media was a communication that both the seller and buyer understood. The reduction of expensive furniture samples through photography was a cost-saving device that business leaders were quick to appreciate.

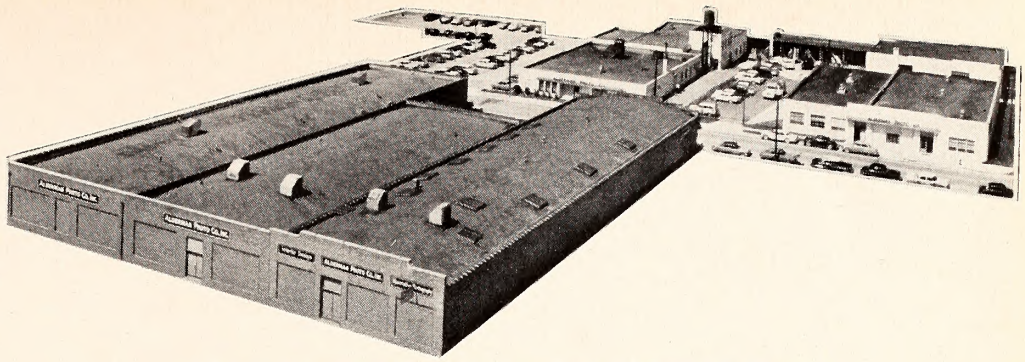
As his ideas of photographic presentations began to catch on, Alderman gradually built up his company. The going was not easy as the needs for furniture photography rose and fell with the introduction of new furniture lines. Overwhelmed with work at furniture showings, Alderman found he had generally to scratch for work between showings.

The business grew gradually under its founder's guidance and later under his son-in-law, Sidney A. Gayle, Sr. After Gayle's death in the World War II period his wife took over the management of the firm.

With civilian furniture production greatly curtailed during the war, Mrs. Gayle had a constant struggle to keep the small company going. In the mid 1940's, the company's staff fell to four employees and prospects for business were anything but promising.

Sidney A. Gayle, Jr. returned from the war in 1945 and assumed the responsibility for the firm. Actually, he had not planned to enter the family business. Textiles was, as it is now, an important industry in High Point and young Sidney had aspirations of a career in textiles. With a degree in Textile Engineering from Georgia Tech and bright prospects in the field, he seriously considered liquidating the family business. However, the thought of photography as a sales tool intrigued him and he decided he could give it up later if things didn't work out.

Together with Irvin Black, who had returned to the company after the war, he plunged into the task of building up the business. It would be difficult to recall the long hours, the heartbreaks, and the setbacks they experienced in those



ALDERMAN STUDIOS, HIGH POINT, NORTH CAROLINA

early years. They went out and sold the photography, came back and moved furniture into their closet-sized studio, exposed film, developed prints, and delivered the final products.

Toward the end of the 40's, their photography was beginning to reestablish itself as a valuable sales tool in furniture. The company grew and profits were ploughed back into new equipment and new facilities.

In the early 50's, Gayle began to wonder why photography which was such an effective visual reproduction of furniture, couldn't be utilized effectively to create a desire to buy through the presentation of furniture in a more appealing setting.

It was a radical idea at the time, but the decision was made to give it a try. A professional designer was hired and they began to sell the furniture industry on the idea of photographically presenting their furniture in attractive room-settings. Needless to say the idea spread rapidly as the furniture advertisements in today's magazines well attest.

World's Largest

As they start 1962's operations Alderman has a staff of just under 200 highly skilled persons occupying 90,000 square feet of photographic studios and laboratories. With complete facilities for original art, creative photography, set-construction shops, interior design services, and four-color lithography, it has become the largest commercial, still-photography firm in the world. Photographic sales have expanded into the fields of wearing apparel, carpets, paints, boats, lighting fixtures, and many other items in an effort to level out sales peaks and valleys. New processes and techniques were adopted that rapidly established the company as a leader in photography and lithography.

With every square inch utilized, the company in early 1960 began to think of a completely new and enlarged plant to house its urgent need for increased production facilities. The usual steps were followed in arranging finances, selecting an architect, choosing the site, and planning layouts for each department in the proposed 130,000 square foot plant.

But President Gayle went beyond these usual steps for he recognized that as the company had outgrown its physical facilities, it also had outgrown its small business concepts of personnel organization. He reasoned that through a thorough analysis of its future organization and manpower requirements, Alderman could proceed to adopt a broader organization which would allow time for experience by the time the new plant would be ready for occupancy in the summer of 1962.

Knowing where you are going requires that you first know where you have been. Accordingly, Gayle decided to embark on a job evaluation program as a foundation for building the new and expanded organization. The first problem to be resolved would be the question of who would undertake the job evaluation project.

Actually, there were three choices: the company's own Personnel Manager who was experienced in job evaluation could undertake the job; an outside consultant could be engaged; or a combination of outside help plus services of the company staff could undertake the job.

The latter combination was chosen because of three considerations: cost-savings, the gaining of experience in job evaluation by the staff, and the expedience of time. The next consideration was the selection of outside professional help. The field of job evaluation and classification is highly specialized and qualified assistance was a necessity.

ESC Chosen For Survey

Several possibilities for assistance were suggested and among these was the job classification division of the North Carolina Employment Security Commission. The company's Personnel Manager, having known of the excellent reputation of that division, held a preliminary meeting with two of its representatives, Charles Love and Rhett Chamberlain. Further investigations indicated that the division had undertaken quite a number of competent job evaluation projects for such private industries as a pickle company, an electronics firm, a prominent private university, and many others. Although a relatively unknown service of the state, the job evaluation division had established such a reputation that it stayed booked months ahead.

Their representatives, Love and Chamberlain, began this work at Alderman by meeting with the various department heads to learn the different operations of the company. Their grasp of complex

(Continued)

There are eight employees in Alderman's Composing Department. Here, a compositor performs layout work on a furniture advertisement. There are 12 departments within the studios—one of the south's largest commercial photography organizations and one of the State's most impressive industries.

Sidney A. Gayle, Jr., President of Alderman Studios, is a textile engineering graduate who turned his talents to commercial photography. At the beginning of 1962, the High Point firm had almost 200 highly skilled persons employed and occupied 90,000 square feet of studio and laboratory space.

operations was uncanny and it was not long before they could talk "shop" with the old hands.

Job classification questionnaires were next distributed to all employees who were asked to give detailed information of their duties and responsibilities. These descriptions were followed up by interviews with the job incumbents and the departmental supervisors to insure that everyone had the same understanding of the positions.

From the individual questionnaires, the next step involved the development of formal job descriptions which gave information on each class as to education and experience requirements as well as a broad definition of the duties and responsibilities typical of the class. These were edited after further discussions with employees and management and the final revised position descriptions were developed.

In addition to developing the position descriptions, the Employment Security representatives developed comprehensive charts depicting the existing organization.

With an accurate picture of their present organization, the company proceeded to study required organizational changes to meet increased production and the need for greater efficiency. President Gayle asked each department head to review the Employment Security Commission's findings and to submit to him written recommendations for proposed changes. He followed this up by a private meeting with each department head. The final outcome was a new organization with greater flexibility, more accountability, and increased efficiency.

Along with the new organization, certain positions were combined, some were eliminated, and new ones were created. The Employment Security's representatives returned, studied the new positions, and developed new position descriptions. These new descriptions, the original position descriptions that were retained and the new organization charts were printed and bound in ring binders.

President Gayle called a meeting of all department heads for an explanation of the new organization and the positions the personnel would assume under the new plan. Department heads were given copies of the plan and they in turn met with their own personnel to explain the new organization.

Alderman's interior designers study motif for a livingroom setting. Thirteen interior designers are employed by the studio. Thirty-six persons work in the interior design department. The black and white photo lab employs 14 workers and 12 employees work in the film and color labaratory.

The creative art section with 14 employees is one of the most vital servic performed by Alderman Studios. The ESC job evaluation plan will assi supervisors in salary recommendations and will provide for a regular pe formance report to be made for each employee of the High Point fir

This set wos constructed on the premises to use as o bockdrop for o Sherwin Williom point odvertisement. Attention to detoil on set designs such as this accounts for Alderman's high stonding in photography ond lithogrophy.

Thirteen members comprise the photogrophic corps with Aldermon Studios. Aldermon photogrophic soles have exponded into the fields of weoring opporel, corpets, points, boots, lighting fixtures ond several other fields.

Salary And Wage Plan

Concurrently with the development of the job evaluation project, the company began to develop a salary and wage plan that would insure that personnel would be paid in accordance with the value of each position to the company and at a rate comparable for similar work in the area.

From the position descriptions, individual jobs were evaluated on the basis of a point plan comprising nine factors that existed on each job to a varying degree. The total points for each job determined its ranking position within the total range of jobs in the company. Again, Love and Chamberlain were of valuable assistance in their advice and opinions of the rankings.

In order to put a dollar value on the job levels, a survey was conducted among other companies in the area to determine the average salary paid for jobs of comparable levels. To recognize differences in individual performances, each salary range was provided with three guide points: the minimum rate; the expected performance rate; and the outstanding performance rate.

When the plan is formally adopted in the near future, each supervisor will be responsible for his total wage costs and the relation of pay rates among his personnel. The job evaluation plan did not alter this basic principle of good management. In order to assist the supervisors in individual salary recommendations, the plan provides for a regular Performance Report to be made for each employee.

The total time involved for the organization required approximately two months and a like time was required for the development of the salary and wage plan.

The company feels that its expansion in organization analysis, position evaluation, and the development of a formal salary and wage plan will accomplish the following objectives:

1. Increased efficiency through better accountability and follow-through.
2. A clarification of functions, authority, and responsibility which, in turn, aids in work simplifications and elimination of duplicate operations.
3. Provide definite, systematic, and factual data for determining the relative worth of a job.
4. Provide a framework for periodic review of salaries and wages and a gauge to control payroll costs more accurately.
5. Reduce grievances and turnover, thereby increasing employee morale and improving employer-employee relationships.
6. Provide a basis for selecting, placing, promoting, transferring, and training employees.

The techniques of organization and job evaluation studies do not replace judgment in the administration of a company. They merely provide facts—insofar as facts can be obtained through observation and study—on which management can base decisions. Decisions thus made should be far sounder than those based upon general impressions.

Job evaluation is a good starting point to facilitate the balance so necessary between organization, markets, capacity and capital requirements. The services rendered by the N. C. Employment Security Commission have been of extreme benefit to the management of Alderman Studios in the development of a more sophisticated approach to one of the problems of growing up.

North Carolina Selected For Peace Corps Test

It was learned this spring that North Carolina is one of four states across the nation to be selected to recruit and administer examinations for prospective members of the U. S. Peace Corps.

The state is participating in a 60-day trial recruiting project which began on May 1. Before it was initiated in the state, Peace Corps representatives from Washington met with a group of about 20 Employment Security Commission office managers and testing personnel, saying "The continued effectiveness of the Peace Corps program, to a large extent, depends upon the implementation of the methods used to attract and select Peace Corps volunteers. At the present time, information about the Peace Corps is disseminated from Peace Corps headquarters in Washington."

Pointing out that 36 public employment service offices in four states are participating in the initial recruiting drive, Peace Corps officials said that results of the program will be used by Washington to determine whether to establish nationwide recruiting through all public employment service offices.

—See PEACE CORPS, Page 86—

Alyce Kelly, Administrative Assistant in charge of testing for the Peoce Corps, exploins testing procedures to ESC personnel in preporotion for the triol recruiting drive which begon May 1.

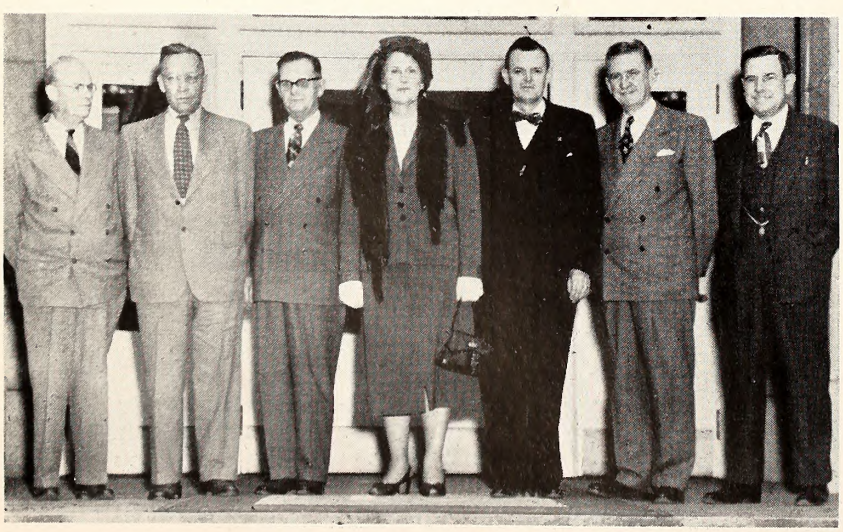
Commissioners Who Have Served North Carolina

1961

(Standing, L to R): W. Benton Pipkin; R. Dave Hall; Bruce E. Davis; Maurice Van Hecke; (Seated L to R): J. W. Seabrook; Henry E. Kendall, Chairman; and Thomas B. O'Connor.

1953

(Front Row L to R): Crayon C. Efird; Mrs. Quentin Gregory; Henry E. Kendall, Chairman; (Back Row L to R): W. Benton Pipkin; Harry D. Wolf; C. A. Fink: and R. Dave Hall.



1951

(L to R): Bruce E. Davis; Harry D. Wolf; C. A. Fink; Mrs. Quentin Gregory; Henry E. Kendall, Chairman; R. Dave Hall; and W. Benton Pipkin.

Past And Present

1949

(L to R) Bruce E. Dovis: H. D. Wolf; Henry E. Kendall, Chairmon; Mrs. Quentin Gregory; Morion W. Heiss; C. A. Fink; ond R. Dave Hall.

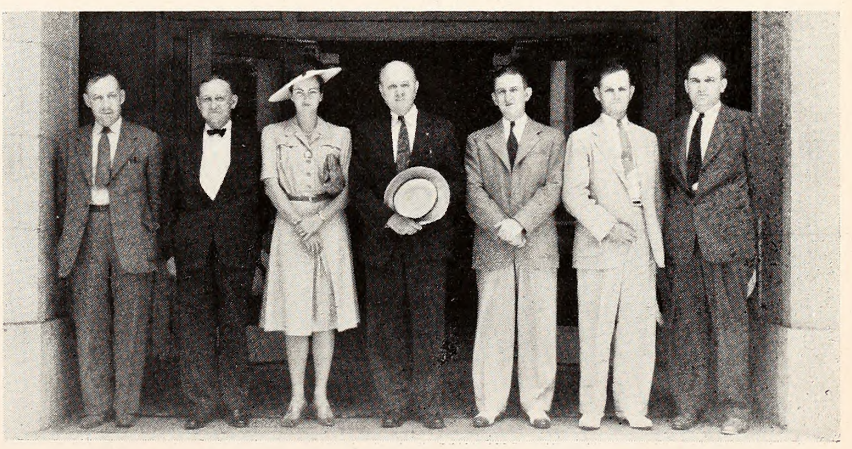
1946

(Back row, L to R): S. F. Compbell, Director of R&S. W. D. Holoman, Chief Counsel; W. C. Edwards, Fiscal Supvr.; S. F. Teague, Chief Claims Deputy; W. H. Pitmon, Chief Auditor; N. H. Cox, Business Monager; W. F. Renfrow, Appeols Deputy; M. R. Dunnogan, Informationol Officer (Wor Manpower Commission); (Center row, L to R): Miss Irma C. Johnson, Personnel Officer; ond Mrs. Frances T. Hill, Public Information Officer; (Front row L to R): C. E. Cowon; Harry D. Wolf; R. Dove Hall; R. F. Martin, Director U.I. Division; A. L. Fletcher, Choirmon; C. A. Fink; Mrs. W. T. Bost; Capus Woynick, Chairman, State Advisory Council. (Unless otherwise designoted ore members of the Employment Security Commission).

1944

(Front row, L to R): Governor J. M. Broughton; Justice E. B. Denny; C. E. Cowon; A. L. Fletcher, Chairman; Mrs. W. T. Bost; (Back row, L to R): W. R. Curtis, Director U.I. Division; C. A. Fink; Rolph Moody, Chief Counsel; R. Dove Hall; R. Grody Ronkin; and Horry D. Wolf.

1941



THE ORIGINAL COMMISSION

(L to R): Horry D. Wolf; C. E. Cowon; Mrs. Frank L. Fuller; A. L. Fletcher, Choirman; R. Dove Holl; C. A. Fink; ond T. Clorence Stone.

ESC AREA SUPERVISOR DUTIES EXTEND INTO EVERY PHASE OF LOCAL OFFICE OPERATION

PHILLIP R. BUNN, *ESC Central Office*

The responsibilities of an ESC Area Supervisor are many and varied. The supervisor is the connecting link in line authority between the administrative offices and the local offices of the state Employment Security Commission and is directly concerned with how well the total agency program is planned, budgeted, and carried out. This includes adequate programs of interviewing, registration order taking, counseling, placement of applicants, claims taking, and the development of a sound public relations program at local office level; establishing and maintaining an adequate working relationship with representatives of industry, agriculture, training facilities, local labor and veterans organizations, and cooperating agencies within the area; and making known to all concerned the services available through facilities of the local offices.

The job, therefore, is broad and complex since it extends into every phase of all local office operations. His responsibility is to see that the tools, techniques, management controls and operating standards are correctly understood and properly applied at the local office level. The supervisor receives general supervision from and is directly responsible to the Assistant Director of the Employment Service Division of the Employment Security Commission.

Supervision is the "process of planning and directing the use of materials, equipment, and human effort to produce goods or service."

A few leadership qualities essential in successful supervision are: thoroughness, fairness, initiative, kindliness, enthusiasm, and emotional control.

Of all these qualities, thoroughness is probably most consistent in successful supervision.

Fairness is considered the most important element in successful supervision.

Initiative requires a combination of courage, self-confidence, inventiveness, and decisiveness. Initiative, to a great extent, depends upon knowledge, experience, and practice in making judgments.

Kindliness implies interest in another's welfare; sympathetic understanding of human nature; particularly, the ability to recognize and deal effectively with human reactions to environment.

Enthusiasm is an intense and eager interest in and devotion to a cause, a pursuit, or an ideal. It, too, is necessary to successful supervision.

Emotional Control is "to exercise restraining or directing influence over anything."

The supervisor's responsibility is to see that programs issued from administrative levels are implemented and placed in effect. Each program must be checked to determine its specific requirements, and subsequently to determine whether the manager has installed the program to meet the objectives as they apply to his area. The supervisor should assist the manager directly in overcoming deficiencies, to determine if assistance is needed to accomplish program objectives and arrange for such assistance, and to assure that programs are given proper coordination among offices in the area.

The supervisor must appraise local office management functions to assure compliance with national and state standards by determining the adequacy of local office organization and its operation according to its individual organizational chart. He must see that staffing of functions and assignment of duties are based on workloads and he should know the condition of staff morale. He must also decide if management planning is adequate, and check the procedure manuals to see if they are current and readily available to the staff.

Assure Effective Controls

It is the supervisor's responsibility to see that quantitative and qualitative controls are in effect in the local offices and that they are used by the office supervisory staff for operating and planning purposes. He checks types of controls used by various supervisory personnel and also how controls are used for operating and planning purposes.

It is always necessary to utilize workload figures and other statistics to determine quantitative efficiency of local office operations. To do this, the supervisor must determine if the local office is penetrating the major and minor markets; compare production figures of the local office; analyze the services rendered to veterans and UI claimants in each office, and analyze the trends in significant local office activities.

The supervisor is responsible for providing formal on-the-job training for local office personnel. He must determine whether all new personnel are being given orientation training by the manager and supervisory personnel as prescribed by the state office; whether new interviewers are being assigned for induction training within the time recommended; determine the extent of on-the-job training given the staff by the manager or supervisory personnel; and, of course, take remedial steps if lack of action or deficiencies are revealed.

. . . And Priority Of Time

The supervisor must also assure that local office programs and procedures provide preferential treatment and maximum job opportunities for veterans. Services to veterans are thoroughly integrated with the regular organization and operation of the local office, and priority of staff time must be given to these services. The supervisor determines whether the local office has effective programs for developing job openings for veterans, for promoting employer acceptance of veterans, including the handicapped, if this program provides an effective employment counseling service for veterans preference in referrals.

It is the supervisor's responsibility to assure that the local offices are familiar with the application of all techniques.

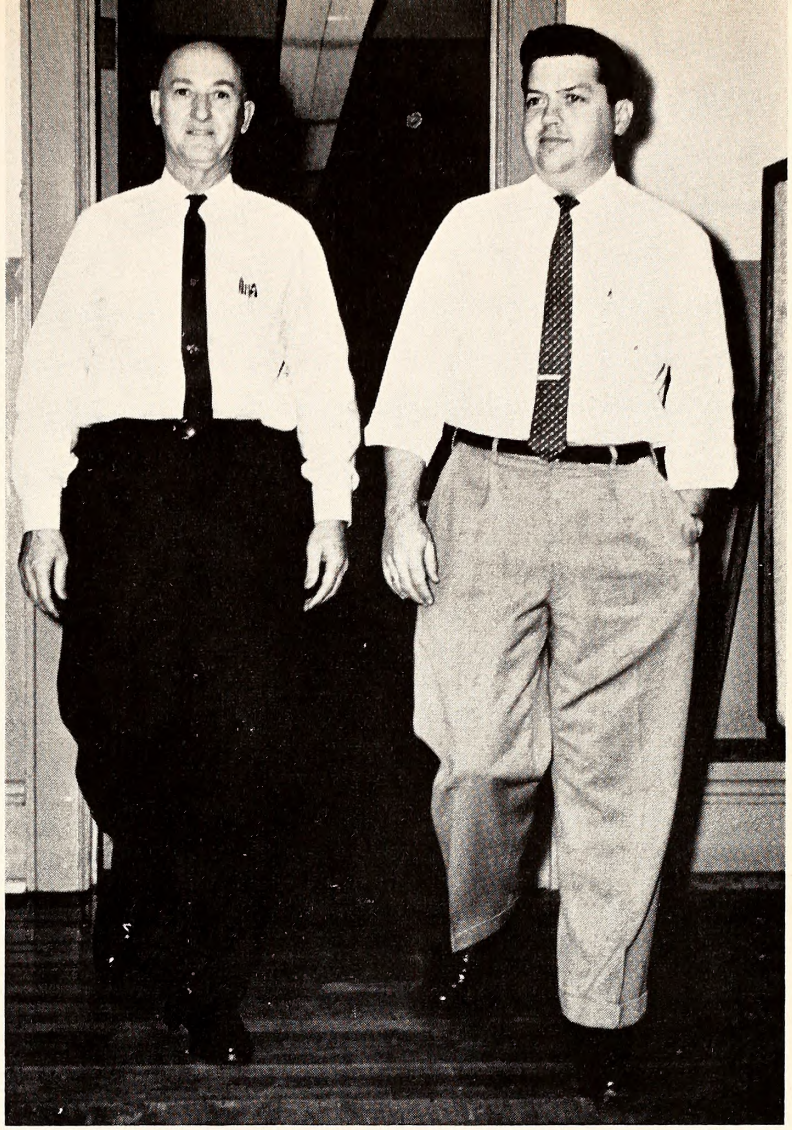
—See AREA SUPERVISOR, Page 84—

ESC Area Supervisors at a conference in the central office. (Front row, L to R): Phil Bunn, Raleigh; John G. Horris, Raleigh; Mrs. Foy D. Hormon, Gastonia; and Henry G. Parker, Asheville. (Back row, L to R): Henry I. Shepherd, Raleigh; Howard W. Winstead, Charlotte; and Phil B. Pollock, Raleigh. Area Supervisors coordinate the activities between the ES Division and the ESC local offices.

EMPLOYER RELATIONS

BEN JOHNSON

Employment Relations Supervisor
ESC Central Office



Hugh Coshion (left) now Areo Redevelopment Act coordinotor in Roleigh wos lorgely responsible for the success of the Employer Relotions progrom in Charlotte when he wos ossigned to the local office. Ben Johnson on the right.

The Employment Security Commission is a "service" agency. Its principle purpose is to provide a basic placement service to employers and job applicants, and the disbursement of benefits to eligible unemployed persons. These are the two major segments of our public, and the big question is, "Are our relations with this public good, bad, or indifferent?"

"Public Relations," as defined in the *PUBLIC RELATIONS NEWS*, "is the management function which evaluates public attitude, identifies the policies and procedures of an individual or an organization with the public interest, and executes a program of action to earn public understanding and acceptance."

The degree to which we fulfill our obligation to the communities of North Carolina is contingent upon our employer relations and our applicant or worker relations. Good employer relations is dependent upon good applicant relations and vice-versa.

Here, considering one aspect of our public relations, if we paraphrase the definition of public relations, we find that "employer relations" is the management function which evaluates employer attitudes and employment needs, identifies the policies and services of our Agency with employer interests, and executes programs of action to earn employer understanding and acceptance.

The services of the Employment Security Commission are used in varying degrees. Hundreds of North Carolina employers have studied and learned the basic philosophy of employment security, believe in it, and avail themselves of the services of the Agency. These employers hire workers exclusively through our local offices. In fact, many of them now display our sign directing applicants to the appropriate local office of the Employment Security Commission to register for work.

Other employers use our placement services only for certain occupations or departments. For an example, a firm hires office employees through the ESC and at the same time secures production workers from another source. Still other employers call their local Employment Security offices and place job orders for "hard to fill occupations."

Indifferent To The Program

On the other hand, some employers still remain indifferent to the program. Probably in many cases, we have failed to explain adequately just how the services of the Employment Security Commission can benefit these employers, just how the use of our "screening service," for example, eliminates the necessity of the employer spending valuable time interviewing totally unqualified applicants. ESC local offices have trained and experienced placement specialists to screen, select, and refer applicants, drawn from the largest single source of workers in the community, who have the desired experience, aptitude, personal characteristics, etc., for the employer's final selection.

If workers with the required skills are not available locally, the Commission can often locate them through its nationwide "clearance placement service." This service includes a professional placement network of over 100 selected offices throughout the nation to expedite the recruitment of technical, professional, scientific, and other hard-to-locate personnel.

Labor market information on labor supply and demand on a local, state, and national basis is particularly useful to employers who are planning plant expansions, looking for new locations, and developing training programs for workers. It is also valuable to their sales departments in market analyses.

ESC technicians can assist in personnel planning through job analysis and

Belks of Charlotte has used the services of Employer Relations representatives. These men call on emoloyers and acquaint them with the facilities available through the ESC. The employer's labor needs, employment opportunities, job requirements and personnel policies are determined in order that the local office may be a prompt and reliable source of workers. On the left, Employer Relations representative from the Charlotte local ESC office, Curtis Kirkner, talks with Belk's Personnel Manager, John M. McCaskill.

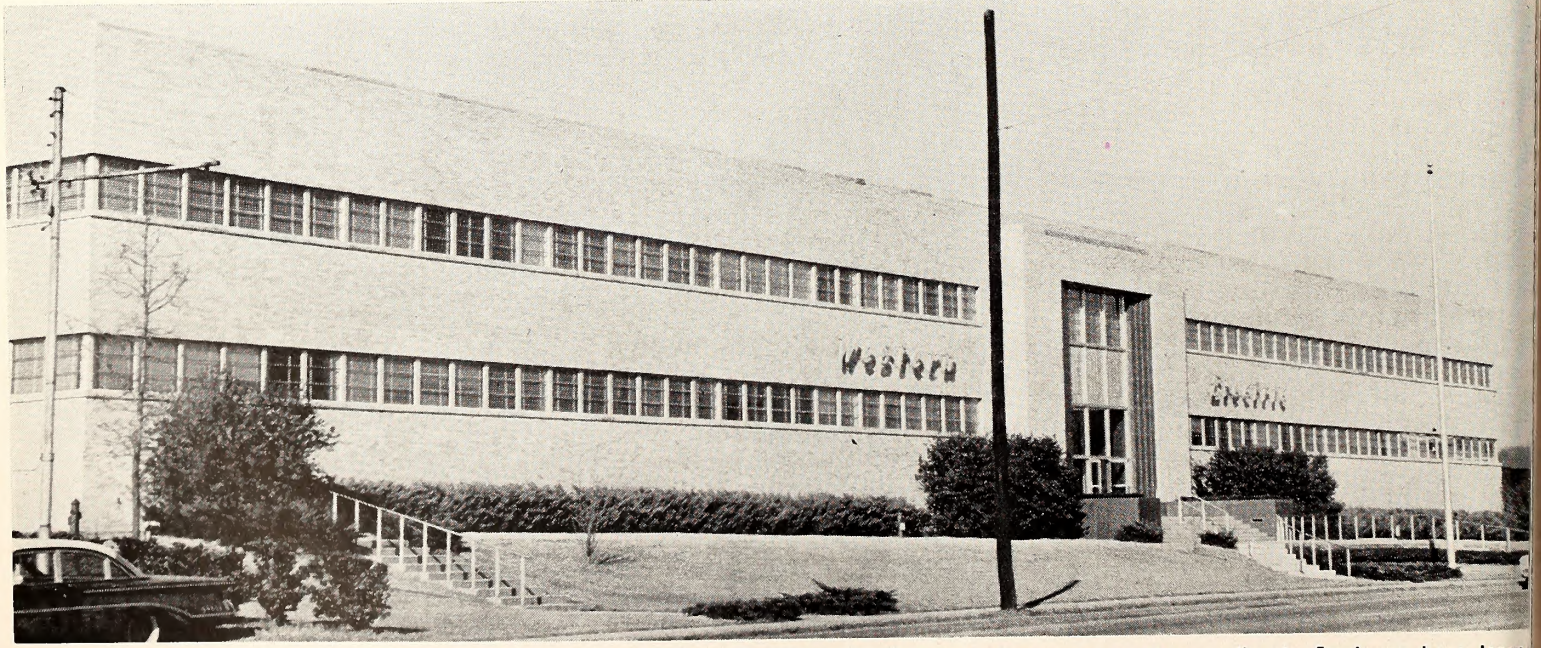
related techniques; offer guidance in resolving employment problems such as turnover and absenteeism and in maintaining an adequate work force.

400 Occupations

The Commission can provide test-selected applicants. Local offices now give aptitude tests for more than 400 specific occupations. These tests measure applicants' aptitudinal potential to perform selected occupations. The Agency has received numerous verbal and written testimonials substantiating the fact that test-selected applicants learn jobs more rapidly than applicants who have not been test-selected, and turnover is significantly reduced from applicants who have been test-selected. One of the principle objectives of the Employment Security program is that of promoting the utilization of these valuable services. **No fee, of course, is charged.**

Every contact made with employers and, conversely, many of the contacts which we fail to make, affect our relations with employers. In addition to the employer contacts made by local office personnal, frequently, state office administrative personnel meet with employers individually and in groups. Through these contacts, impressions of the Employment Security Commission are formed whereby relationships with employers are either favorably or unfavorably affected. We cannot isolate employer relations or segregate it as a function separate from our normal activities, nor can we limit its practice to an eight-hour workday. The success of many programs and activities of the Agency is dependent upon good employer relations.

To ensure operational control, however, each local office has one staff member designated as supervisor of employer relations. This supervisor is responsible to see that the employer-relations objectives are attained. The first function is to obtain current information regarding labor needs, employment opportunities, personnel policies, job requirements, and working conditions necessary for planning and providing services both to employers and workers. The second function is to promote the full use of Employment Security services and the prompt placement of applicants by assuring that the desired kind and quality



The Western Electric Corporation in Charlotte uses the local ESC office exclusively to recruit, test, screen and select applicants. Employers have learn that turnover is significantly less from workers who have been test-selected. One of the principle objectives of the ESC program is that of promoti test-selection services, a no-fee provision available to all employers. A second highly important function is to provide prompt placement of job applican

of job orders are obtained from employers, and that needed technical services are made available to employers. A third function is to identify the specific employment needs and problems of individual employers, and to interpret, in terms of those needs, the appropriate services available through the local office. Finally, the supervisor of employer relations encourages and facilitates the employment of all applicant groups in the community on the basis of qualifications.

Staff members who contact employers are normally referred to as "employer-relations representatives." They contact and work with employers through personal visits, telephone calls, mail, or other media. Every assignment is significant. However, a key figure in the fulfillment of the employer-relations objectives is the employer-relations representative who makes personal calls to employers' establishments. Larger local offices may have several such personnel.

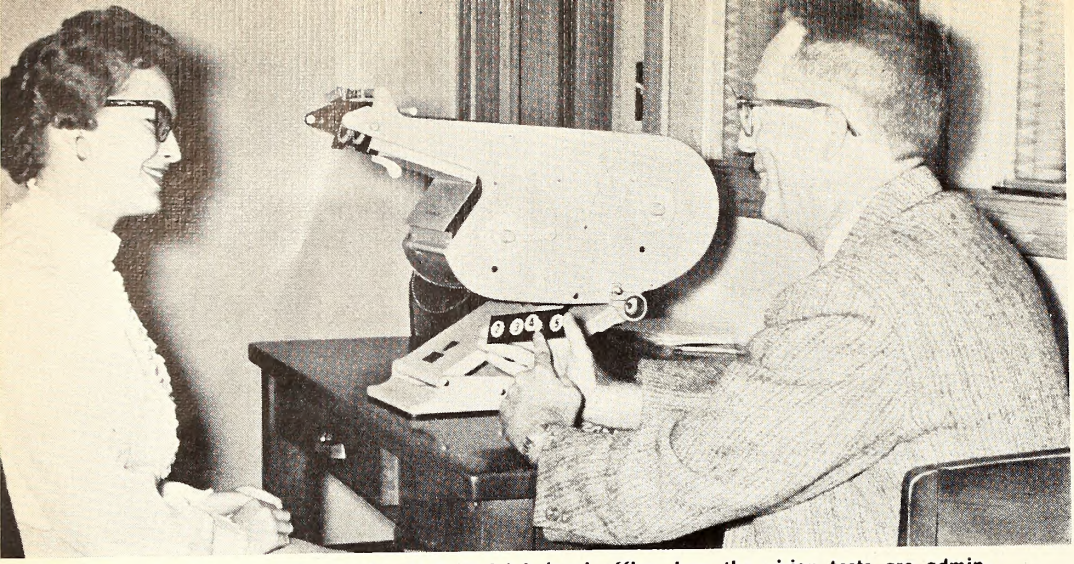
"Mr. Employment Service"

Because of their regular and frequent contacts with employers, these employer-relations representatives learn a great deal about the employers' firms—their personnel problems, their employment policies and their operations. They serve as links between the employers and the local offices. To an employer, the employer-relations representative is "Mr. Employment Service." He is the employer's primary source of information pertaining to the availability of certain classifications of workers, manpower program activities, training, and how those situations affect and apply to the community. To the local office, he is its "eyes and ears" at the employer's establishment. He obtains information regarding the existence of job openings, plant processes, anticipated expansion plans, and other up-to-date information needed to develop a program of service to the employers.

So we ask ourselves, "Are our employer relations good, bad, or indifferent?" This question cannot be answered with a mere, "They are good" or "They are bad." Only a qualified answer based upon the relationship with the individual employer would be a true portrayal. Generally, however, we feel that the Employment Security Commission has excellent employer acceptance in North Carolina. Nevertheless, through continually improving, expanding, and promoting our services, we hope to foster our purpose in every community by continually improving, expanding, and promoting our services.

COMPLETE
INDEX
ON PAGE 86
★ ★
EMPLOYMENT SECURITY
COMMISSION OFFICES
LISTED ON
BACK COVER

Jock Sullivon (left) Production Superintendent ot Western Electric's Chorlotte plont, tolks with Robert A. Cooper, Employer Relotions representotive from the locol office. Photos below ore interior scenes of the Western Electric plont showing employees ossembling telephones ond other communicotions systems. These occupotions ore skilled crofts, ond the employer's cooperotion with the Commission hos helped ploce troined ond copoble workers.



Edson Bates explains to Carolyn Hall, Raleigh local office, how the vision tests are administered. About 28 local ESC offices are equipped as part of the vision testing program.

Vision Tests Aid Employers

EDSON BATES, *Industrial Services Supervisor*

For many years the Employment Security Commission of North Carolina has experienced wide employer acceptance of its various testing programs.

Vision testing is one of our newest programs. The ESC recognizes the importance of adequate vision as it pertains not only to production but also to safety on the job. This program was also inaugurated for another reason. In the past there have been instances of criticism for administering aptitude tests to applicants when we did not know if they had sufficient vision to demonstrate their aptitudes.

Assisted by the N. C. Optometric Society, the Committee on Eye Care of the N. C. Medical Society, the Psychology Department of N. C. State College, and several interested employers, the ESC initiated a program of vision testing on an experimental one-year basis. Permission was granted by the Bureau of Employment Security in Washington and although no special funds were allocated, we were authorized to purchase 12 vision testing instruments.

Bausch and Lomb Ortho-Raters were purchased, primarily because Bausch and Lomb (as nearly as we could determine) is the only company that furnished with their instruments a full validated set of vision standards which could be used and interpreted by non-professional people.

Optometrists Receive Letters

In each local office area where a vision testing instrument was installed, explanatory letters were mailed to all optometrists and to a majority of local employers. Local news media gave good coverage to the new program. The Industrial Services Supervisor also talked on the vision testing program before the State Convention of the N. C. Optometric Society. Through these various efforts, the public was well informed of our new testing service.

In establishing the new program, certain points had to be strongly emphasized. The following statement is taken from the Employment Security Manual:

"The Bureau of Employment Security agreed to a program of vision testing only after this Agency received the extensive support of the Medical Society of North Carolina, the Optometric Society of North Carolina, other private organizations and employers. In order to obtain the support of these organizations, we agreed to follow certain practices which would neither take us outside our area of competence, nor violate professional ethics. These practices are as follows:

A. It should be firmly established in the minds of all local ESC office staff members that the vision testing program was instituted for the purpose of testing the vision of applicants and not to examine eyes, since such examinations are conducted by eye doctors. It follows also that we **never** attempt to diagnose visual deficiencies found. An applicant either passes or fails the vision test.

B. Should an applicant fail the vision test for the position for which he is applying, he should be instructed to see an eye **doctor** of his choice for examination and treatment. Under no circumstances should the name of an eye doctor be mentioned by a local office staff member."

From the manual, here is our policy concerning vision testing as it relates to aptitude testing:

"All persons scheduled for specific aptitude tests should first be given the vision test. Those failing to meet the vision standard for a specific job must obtain corrective treatment before being administered a specific aptitude test battery for that job or for any other job for which vision standards are not met. If, after having his vision corrected, an applicant still fails to meet the vision standard for a specific job, he should be allowed to take the aptitude test battery. In such case, if he passes the test, the employer to whom he is referred should be informed of his visual performance."

Problems Become Fewer

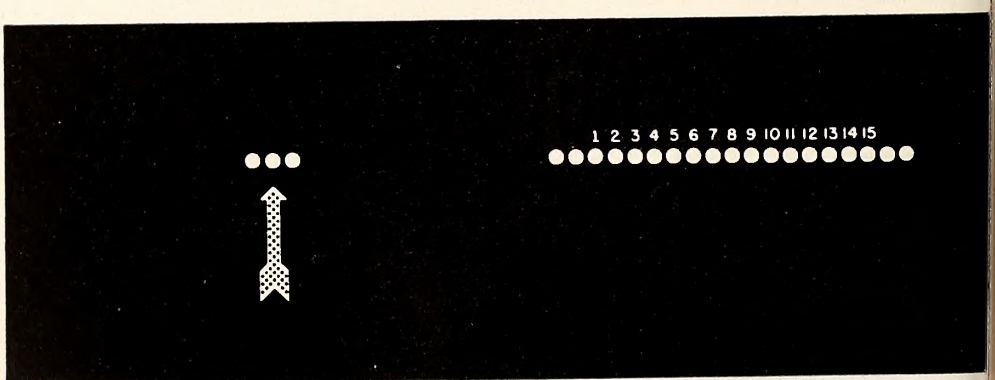
Many minor problems were encountered during the first year of vision testing. But as our test administrators became more proficient, and as we gained experience, problems became fewer. In a fairly short period of time, the program was operating smoothly.

In July, 1958, our first report on the new vision testing program was submitted to the Bureau of Employment Security. It reported that 11,018 individuals had been administered the vision test, and that 1,927 had failed to meet a required vision standard. In other words, over a thousand individuals from the group tested did not have the minimum vision quality necessary to adequately perform the job for which they were applying. Number failing was almost 17.5 per cent, or almost one out of every six persons tested.

So, in our 1958 report to the Bureau of Employment Security we recommended that the vision testing program not only be continued, but also that it be expanded as rapidly as possible.

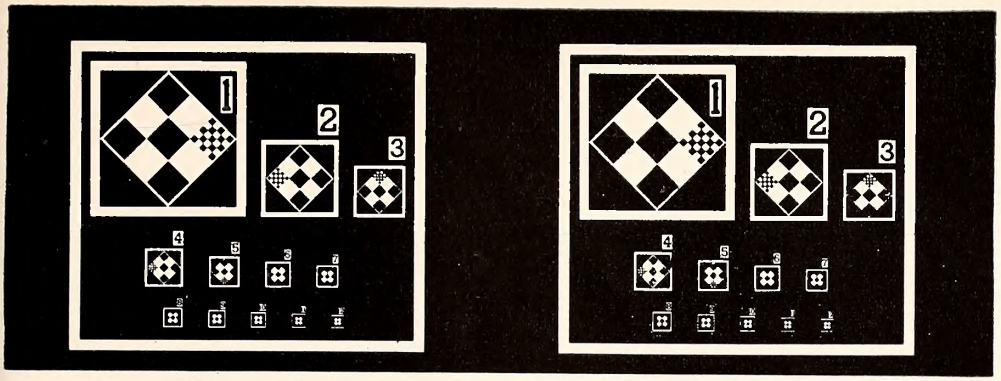
After the initiation of the vision test

Test F-2 (Phoria—Lateral)



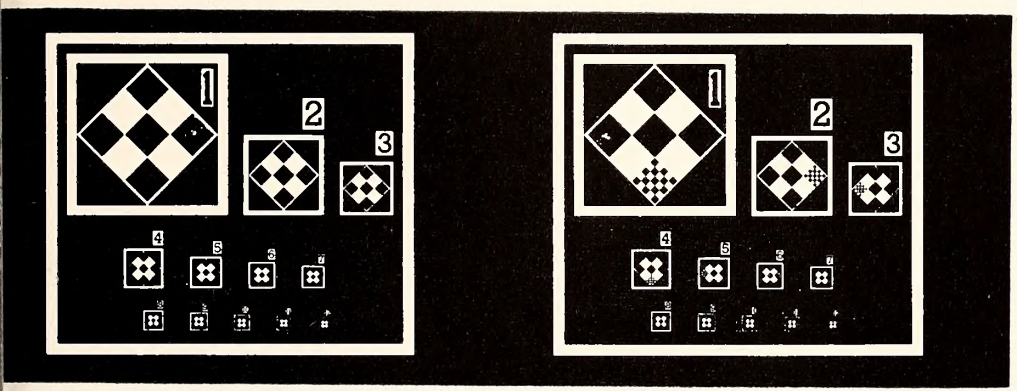
When the two sides of this slide are fused, the three dots above the arrow should be fused with three of the numbered dots.

Test F-3 (Acuity Both Eyes Far—Occluder in Mid-position)



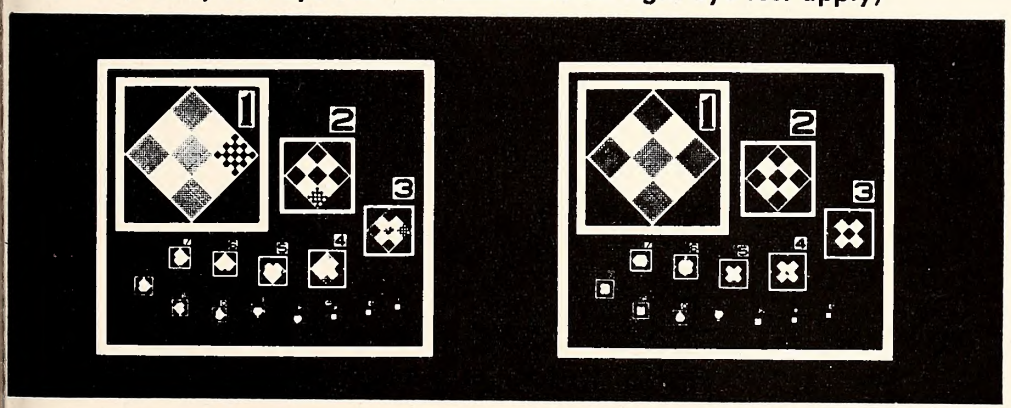
In this slide identical targets are placed before the two eyes so that fused binocular vision is being tested.

est F-4 (Acuity Right Eye Far—Occluder in Mid-position)



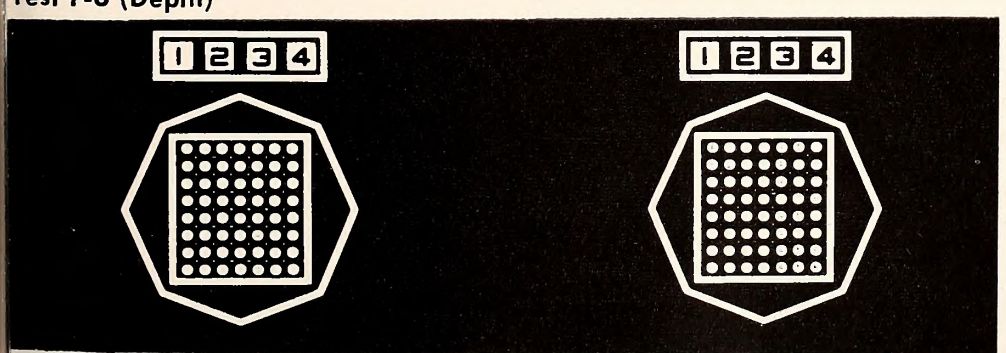
this slide the checkerboard targets are before the right eye while only half-tones are before the left. This permits binocular testing of right eye acuity.

Test F-5 (Acuity Left Eye Far—all directions on right eye test apply)



The checkerboards are before the left eye with half-tones before the right.

Test F-6 (Depth)



This is a test of the ability to make binocular judgement of a projecting detail. Since this represents the finest binocular skill it is of great importance in many jobs.

hese four slides and the one on the preceding page are used in the "Ortho-Raters" not to determine ferior vision, but to determine whether an applicant has sufficient vision to do the job for which e applies. Since the ESC vision testing program has been in effect, it has been noted that about 7 percent of job applicants are below the minimum vision requirements demanded in specified ccupations. The ESC tests vision only to qualify an applicant for a job—a service to the employer.

ing program, we received many letters of commendation from employers and optometrists: "Our company is grateful to you for the fine service you have rendered in vision testing, and we feel that it is a tremendous asset to other mills in the area," said the Chester H. Roth Company of Burlington.

"We want you to know that we continue to count on you to meet our labor requirements and your visual testing service is of primary importance in meeting our needs." This comment came from the Package Products Company of Charlotte.

From the Vanderbilt Shirt Company in Asheville: "Now that you are also including with your various tests a visual rating, we know that this can only mean an additional help to us in the referral of selectees from your office."

Our vision testing program has gradually enlarged. After four years we have equipped 28 local ESC offices with vision testing instruments. At present, some 20,000 persons have been tested by local offices and the ratio of individuals failing to meet a required standard is still one out of every six tested. This further validates the ratio results obtained at the end of our first year of vision testing.

We hope to expand this program so that more local offices may be equipped to administer this test, although we realize that all offices could not justify such a program.

We have made no attempt to determine how much new business has been secured as a result of the vision testing program. We do know that in areas in which vision testing instruments have been installed local offices are securing greater employer acceptance and are experiencing larger volumes of work.

Part of this extra activity, we believe, comes as a result of vision testing program—an additional service from the Employment Security Commission.

DUKE UNIVERSITY

—Continued from page 32—

Finally, at any college or university, there always are a lucky few to whom the matter of employment upon graduating poses no problem whatsoever. These simply join their families' business interests—whatever these are.

A sizeable number of the students do not wait until graduation to seek jobs. They prefer to work during summers. Often the reason is two-fold: to help their parents finance the cost of their education, and to get to travel to places far removed from their homes.

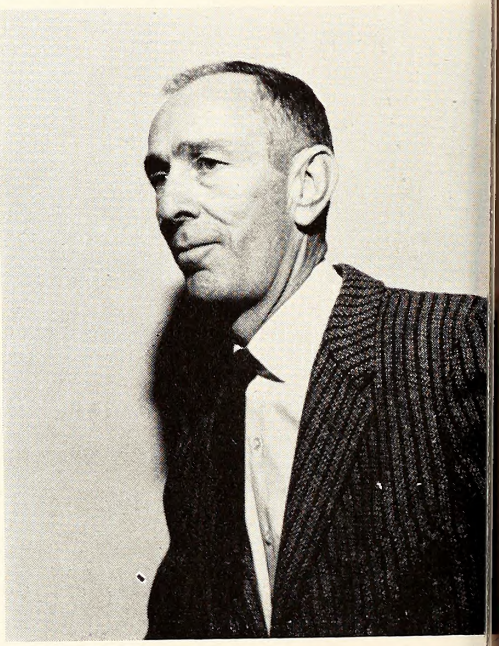
Through Miss Mitchell's office some undergraduates obtain jobs at various summer resorts in widely scattered places.

Regardless of the field, though, it's still a seller's market for the new college graduate these days. Most of them at Duke can have their pick of several jobs upon completing their university work, and an estimated 65 per cent utilize the specific training which they received in getting their individual degrees.

Sam F. Teague
ESC Chief of Benefits

Lloyd Nooe
Claims Deputy Supervisor

J. Wilbur Peacock
Assistant Claims Deputy Supervisor



Cheatham R. Hutchins
Claims Examiner
Fraud Prevention and Detection

Deputies Make Rulings On UI Claim

North Carolina Employment Security Law provides for criminal prosecution of an individual who makes a false statement or representation knowing it to be false, or knowingly fails to disclose a material fact to obtain or increase any unemployment benefits when he files a claim for unemployment insurance. Any person who knowingly fails to report any work performed or earnings made during the week for which he files a claim for unemployment insurance shall be punished by a specified fine or by imprisonment, each such false statement or representation or failure to disclose a material fact shall constitute a separate offense.

The Law also provides that any employing unit or any officer or agent of an employing unit or any other person who makes a false statement or representation, knowing it to be false, or who knowingly fails to disclose a material fact to prevent or reduce the payment of benefits to any individual entitled thereto shall be punishable to the same extent as the above punishment for an individual claimant.

Criminal prosecution of either a claimant or an employer under the above statutes is not a pleasant duty. However, the Commission does not hesitate to start prosecution if an investigation discloses that there has been a violation of the Law. The Employment Security Commission administers in its central office a continuous investigation of payments made to claimants by inspecting the reports of earnings made by employers for the same period that a claim is filed for unemployment insurance t discover any violation of the Employ ment Security Law by a claimant.

The Commission has representatives i different parts of the state to make in vestigations of reports on fraud on th part of individuals filing claims or em ployers, and if violations of the Law ar found, prosecution is started.

During 1961, the ESC prosecuted an convicted 1,051 individual claimant charged with misrepresentation of th cause of separation at the time the filed their claims, or for failure to re port that they had worked, or for failu to report the correct earnings they mad at the time they filed their claims fo unemployment insurance. There wer 226,794 new unemployment insuranc claims filed in 1961. Prosecutions and co

victions represented .47 per cent of the unemployment insurance claims filed in the State of North Carolina during that period.

The Employment Security Commission administers a program for payment of unemployment insurance to ex-servicemen. The number prosecuted and convicted under the program for ex-servicemen was 1.4 per cent of the total number of initial claims filed during 1961.

The Commission also administers a program for payment of unemployment insurance to unemployed Federal employees. The number of prosecutions and convictions under the program for Federal employees was .22 per cent of the total number of initial claims filed in 1961. . . . **SAM F. TEAGUE**

A post audit is made of claimants' records to determine if they failed to report work and earnings while filing claims for unemployment insurance. When claimants' benefit years have expired, all closed out ledgers are examined to determine if claimants were paid unemployment insurance for as many as five weeks consecutively. If they were not, the benefit ledgers are marked to indicate they have been examined and no action is taken. If claimants have been paid unemployment insurance for five or more consecutive weeks, a form is prepared by the Fraud Prevention and Detection Unit for each claimant which shows the amount each claimant was paid during each quarter. This information is routed to the Bureau of Machine Services where wage information is secured to determine the amount of wages that the claimants earned during the same quarters for which they claimed unemployment insurance. All ledgers are marked to show that they have been examined for post audit work.

After wage information is compared with the amount of unemployment insurance paid to each claimant, a formula is applied by multiplying two times the amount of unemployment insurance that has been paid to each claimant for each quarter involved plus his wages, and then comparing the result with his high quarter wages during the period involved. If this figure equals more than his high quarter wages, earnings verification forms are prepared and sent to employers to determine if the claimants have earned wages to cover the same period of time for which they filed claims. Employers use these forms to report daily rate of wages which show the dates the claimants worked as well as the amounts they earned each day.

After employers complete the Earnings Verification Reports and return them to the central office, and if they show that the claimants worked and had earnings while filing claims for unemployment insurance, all necessary documents are secured by the Fraud Prevention and Detection Unit and consolidated. They are then sent to the Claims Deputy for investigation and possible prosecution. Payments are stopped on all claims of claimants who are being investigated.

There are other types of investigations that are handled in the Fraud Prevention and Detection Unit. Sometimes reports from employers and local offices indicate a possibility of fraudulent reporting by claimants. As soon as information is received in the Fraud Prevention and Detection Unit, all documents are secured and put in an investigation file and payment is stopped until the investigation has been completed and the Fraud Prevention and Detection Unit has received a report from the deputy who is conducting the investigation.

PROSECUTIONS AND CONVICTIONS LESS THAN ONE PERCENT OF UI CLAIMS FILED IN '61

When documents are consolidated to be sent to the claims deputies for investigations and possible prosecutions, it is the responsibility of the Fraud Prevention and Detection Unit to determine the overpayment and the ineligible period that should be imposed if the claims deputy decides prosecution or adjustment in the claimants' unemployment insurance accounts is in order.

All fraud determinations are handled in the Fraud Prevention and Detection Unit. Overpayments are set up and liquidations are made when it is possible for liquidation to be made. All demands upon claimants for refunds are made in the Fraud Prevention and Detection Unit. . . . **CHEATHAM HUTCHINS**

Recognizing unemployment as a great hazard to our economic way of life, a bill was passed by our 1936 Legislature which is now known as the Employment Security Law. The Employment Security Law provides, among other things, the payment of unemployment insurance to persons who became unemployed through no fault of their own and who satisfy certain conditions of eligibility.

As a protection against dishonest persons and chiselers, certain provisions were included in the Law to prosecute fraudulent claimants.

The Claims Deputy, often called the hearing officer, a versatile individual with his numerous responsibilities and various duties to perform, has the responsibility to ferret out those dishonest persons and present such cases to the local authorities for prosecution. In fact, he assumes a major role in the Fraud Prevention and Detection Program. Good judgment must be used at all times by the claims deputy. The success of the program depends to a large degree upon his initiative, ingenuity, and tact.

How Detected

There are many sources of information which lead to an investigation by the claims deputy. During hearings concerning a contested claim or an issue concerning separation or work refusal, facts may be developed to show that an interested party has misrepresented a material fact which would affect the payment of benefits. Upon purging claim records maintained in the local office, the deputy may observe irregularities which lead to further investigation and possibly prosecution. The local office representative may observe irregularities or receive reports from other persons which are sent to the claims deputy for investigation. Employers and other public minded, law-abiding citizens furnish fruitful leads. Also, the post-audit system processed by the Fraud Unit in the ESC central office results in employers completing reports that are forwarded to the Claims Deputy for investigation.

With these leads the deputy makes his investigation by talking with the parties who have personal knowledge that could be used as evidence of whether fraud was committed. If in order to do so, he then presents the case to a court (usually a Magistrate, Justice of the Peace, or Solicitor of a Recorder's Court) in the county where the act was committed, and if the court agrees, the claims deputy swears out a warrant on information and belief, charging the defendant with violation of the Employment Security Law, describing the charge in detail, and signing the warrant as Claims Deputy of the Employment Security Commission. For example, reports are received from employers reflecting wage information not reported by the claimant, the claims deputy calls on the employer to verify the information. He also interrogates the representative of the Commission who took the claim.

A defendant is considered innocent until proven guilty. Realizing the seriousness of causing such action to be taken, the claims deputy, when interrogating the employer and examining his records, takes every precaution to see that the information is accurate. Errors are often discovered in the year, date, daily earnings, Social Security Number, and shift hours. Possibly, the payroll week does not cover the same period as the claim week. Upon interrogating the representative of the Commission who took the claim, the claims deputy determines if the claimant was clearly informed of his responsibilities when he filed his claim for unemployment insurance, if he was informed about the penalties for making false statements, and if the claimant was properly questioned about his activity

(Continued)

with respect to the week for which he filed the claim. A report is made immediately to the Supervisor of Claims Deputies on all cases investigated which do not culminate in prosecution. Upon review the file may be closed, returned to the claims deputy for further investigation, or returned with instructions to present for prosecution. When it is found that an overpayment has been made and the evidence is not conclusive of fraud, a determination will be made to adjust the account and demand refund for the overpayment.

At the time he issues the warrant, the claims deputy makes tentative arrangements with the court to have the case tried at a later date (usually ten days to two weeks) to avoid conflict with an itinerary of hearings prepared for him by the central office. He notifies his supervisor accordingly. He also requests that the Interviewer be made available to testify at the trial. The other parties (employer witnesses) are informed that they may be subpoenaed to appear as a witness by the court.

Fund a sum equal to the amount so received by him . . ."

The Employment Security Law, Section 96-18 (g), provides that "Any individual who has received any sum as benefits to which he was not entitled, such sum having been paid to him as the result of error on the part of any representative of the Commission, shall be liable to have such sum deducted from any future benefits payable to him under this chapter, or shall be liable to repay to the Commission for the Unemployment Insurance Fund a sum equal to the amount so received by him . . ."

Right To Appeal

Defendants have a right of an appeal from the lower courts to the higher courts. However, upon a final judgment of guilty by the court, the claims deputy (if the defendant was a claimant) prepares a determination based on the court's findings, invoking the sanctions under Section 96-18 (e) which, of course, holds that the claimant is not entitled to receive benefits for a year or more, depending upon the number of counts.

The claims deputy must at all times remain impartial. Personal beliefs, inclinations, sympathy, or the wishes of any interested party cannot have any bearing or influence his decision as to whether prosecution is in order. Oftentimes he is faced with pitiful situations as well as the hard, arrogant type of individual.

Although these cases may not always be considered newsworthy the claims deputy strives to see that publicity is given through news releases concerning convictions. It is felt that such news releases by the local papers have often prevented some people from committing an act of fraud which may lead to serious consequences. . . . **LLOYD NOOE**

DEPUTY MAKES DECISION ON CLAIM PAYMENTS, CLAIMANT HAS RIGHT OF APPEAL

The work of the Employment Security Commission Claims Deputy is part of the control placed on the disbursement of unemployment insurance benefit payments.

The deputy rules on claims from unemployed workers who are separated from their job for reasons other than "no work available."

In 1938, the ESC formed a Claims Deputy Unit which consisted of a supervisor and a small deputy force. Today this unit has grown to include 31 claims deputies, a supervisor, an assistant supervisor and a central-office clerical force of 27 people. Deputies work within 23 districts in the state.

What are the duties of the claims deputy? What part does the central office staff have in the unit?

Who Are Eligible?

Unemployment benefit payments are designed for the eligible unemployed. But what about those people who are unemployed because they quit their jobs for no good reason, were fired because they failed to report to work, were found to have embezzled funds, committed larceny, refused an offer of work, off because of a week's vacation, or simply did not want to seek or accept work?

The claims deputy makes the decision of whether or not these people receive benefit payments. When an unemployed person files a claim and separates for a reason other than no work available, refuses to accept a referral to work, does not actively seek work, or is unable to work, the issues involved are channelled from the 54 local offices and the 87 itinerant points to the Claims Deputy Unit at the ESC central office in Raleigh. All claims are assigned to the proper district and all work assignments and hearings are scheduled by the central office force.

All Interested Parties

A hearing is scheduled and all interested parties are notified of the date, time, and place. From Manteo to Murphy claims deputies are involved in hearings. Proceedings are transcribed on electrical machines for administrative soundness.

As the hearings begin, the deputy

—See CLAIMS DEPUTY, Page 83—

The Employment Security Law, Section 96-18 (a), (b), and (c), further provides that upon a verdict of guilty a fine of not less than $20 nor more than $50 may be imposed, or imprisonment for not longer than thirty days may be given, and that each such false statement or representation or failure to disclose a material fact shall constitute a separate offense.

The Employment Security Law, Section 96-18 (e), provides that "An individual shall not be entitled to receive benefits for one year beginning with the first day of any benefit week with respect to which he, or another in his behalf with his knowledge, has been found to have knowingly made a false statement or misrepresentation or who has knowingly failed to disclose a material fact to obtain or increase any benefit or other payment under this chapter."

The Employment Security Law, Section 96-18 (d), provides that "Any person who, by reason of the nondisclosure or misrepresentation by him or by another of a material fact (irrespective of whether such nondisclosure or misrepresentation was known or fraudulent), has received any sum as benefits under this chapter while any conditions for the receipt of benefits imposed by this chapter were not fulfilled in his case, or while he was disqualified from receiving benefits, shall, in the discretion of the Commission, either be liable to have such sum deducted from any future benefits payable to him under this chapter, or shall be liable to repay to the Commission for the Unemployment Insurance Fund a sum equal to the amount so received by him . . ."

And his decision also demands refund of all benefits that have been paid to him during the period of ineligibility as provided in the Employment Security Law, Section 96-18 (d).

The entire file is then forwarded to the Supervisor of Claims Deputies for final review and preparation of the above-mentioned determination which is mailed to all interested parties. The control records are posted accordingly. The aggrieved party may, of course, appeal from the deputy's determination provided he does so within five days from the date that it is mailed. If an appeal is taken, the file is forwarded to the Appeals Department. If no appeal is taken, the claim is, of course, processed according to the final determination.

Should the court find the claimant not guilty, dismiss or enter a nol-pros in the case, the entire file is forwarded to the Supervisor of Claims Deputies. Upon review the file may be closed, returned to the claims deputy for further investigation, a hearing may be scheduled for the purpose of taking evidence to determine if the sanctions under the Employment Security Law, Section 96-18 (e), should be invoked. Also an administrative determination may be made if there is an overpayment, demanding refund under the Employment Security Law, Section 96-18 (d) or (g), whichever is applicable.

It is also the claims deputy's responsibility to represent the Commission in court to represent cases for prosecution involving claims filed in North Carolina against other states.

FARM LABOR

TED DAVIS

ESC Public Information Officer

Records reveal that Government assistance, in varying amounts, has been rendered migrant labor since 1935. With worker and employer initiative and increasing Government assistance, the number of migrant workers increased as the labor demand increased, until the middle 1940's. At this time the number of workers became equal to or slightly above labor demand.

The Wagner-Peyser Act of 1933 provided that a Farm Placement Service be rendered by the U. S. Employment Service. In turn, this was delegated to various Federal Agencies operating in each state. North Carolina's first Farm Placement Service was offered in 1935. This grew very slowly until the outbreak of World War II, at which time food and fibre became a "must."

Migrant Workers Increase

With more workers entering the migrant labor movement, it was safe to assume that there would be more migrants in North Carolina each successive year. With this condition, it became necessary to take steps to reduce the number of workers coming into the state expecting employment. This brought about a plan which was called "selective recruitment." Basically, this plan placed Government employees and growers, through their knowledge of the crew leaders' and workers' past performances, in a position to select the group desired.

Another problem was the "free-wheeler" groups who usually arrived in the areas many days before the harvest season began, under-bidding those crews who had work agreements and occupying housing which the regular crews expected to use. When the regular crews arrived, they either had no housing or were forced to live in housing that was inadequate. In many cases these free-wheeler crews would leave before the harvest was completed.

Year 'Round Employment

Beginning January 1, 1948, the Employment Security Commission of North Carolina was charged with the responsibility of maintaining a Farm Placement Service. During this period, the Annual Worker Plan was developed. This plan helped the migrant worker obtain continuous year 'round employment. To expedite this, the various states of the Atlantic Seaboard, including Mississippi, Alabama, Florida, South Carolina, North Carolina, Virginia, West Virginia, Maryland, Delaware, New York, Pennsylvania and New Jersey, agreed to send one of more representatives to Florida during April each year to interview prospective crew leaders. Indiana, Michigan and Ohio were added to this group of states in 1960. A schedule was set for Florida interviews covering a period of approximately three weeks. All of the known crew leaders were sent a copy of this schedule and were requested to appear before this group of representatives at some designated point and time for interview. At these interviews the migrant leaders stated where and when they had employment in various states, and if they did not have continuous employment, an effort was made to obtain employment for them during these periods.

During the early years of World War II, Congress decided that migrants were badly in need of adequate housing during their employment in various states along the Atlantic Seaboard. Consequently, money was appropriated and temporary housing units set up in various areas. This temporary housing was erected in large units and was supervised by an agent of the Federal Government. At the end of the War, growers were encouraged to supply housing. Most of this was adequate at the time it was constructed, but became obsolete in a few years. Considerable improvement in some areas is still needed. Farm Placement officials with the Employment Security Commission believe that with the support of the Governor, the cooperation of growers and crew leaders, and the continuing efforts of the State Committee on Migrant Labor and its component agencies, working and hiring conditions for migrants in North Carolina will reach a much higher standard in the next few years.

Day-Haul Program

The N. C. Farm Placement program is administered through 54 local Employment Service offices, one year 'round farm office and eight Farm Placement seasonal offices covering each of the 100 counties in the state.

The ESC operates one of the largest day-haul programs in the country. On peak days, as many as 30,000 workers

(Continued)

A migrant labor camp in Lenoir County. Building at the right is the "bull pen," housing for male members of the crew. The other house is compartmented into family dwellings. About 200 crews come into North Carolina each season, averaging possibly 60 workers to a crew. The majority of crews originate in Florida, and there are about 15-20 women crew leaders. Migrant labor began coming to North Carolina in 1928. About 13,000 migratory workers will work in N. C. each season.

are assembled in nearly 600 day-haul points and transported to farms for work by local crew leaders and farmers.

Of the approximately 12,500 migrants who enter North Carolina and obtain employment, approximately 75 per cent designate Florida as their home address; Mississippi, seven percent; South Carolina, four per cent; Alabama, three per cent; and the others designate their homes as Virginia, Georgia, Maryland, Texas, New York, and Pennsylvania.

After completing their employment in North Carolina, about 35 per cent return to Florida; 30 per cent move into New York; eight per cent move on to Pennsylvania; seven per cent return to Mississippi; five per cent move to Virginia; three per cent return to Alabama; five per cent go to South Carolina; and seven per cent move into Michigan, New Jersey, Ohio, Maryland, Delaware, Connecticut, Texas, Georgia and West Virginia.

No Record of Movement

There are migrants who move on their own initiative. The ESC has no record of their movement. Also, there is quite a movement of workers within the state from one community to another to live during the harvest of a particular crop. Some of these workers, like migrants, move of their own initiative without assistance from the Employment Service.

Some of the people enter the migrant stream because of necessity and some by choice. Many of these people could be placed in year 'round farm jobs in North Carolina if they would accept such jobs as are available. The take-home pay per day for the migrant worker is greater for the days worked than it is for the year 'round farm worker. However, the extra benefits to year 'round worker, gardens, cows, hogs, chickens, and job security, more than balance the scale in his favor.

In 1953, the President's Migratory Commission was established with Dr. Maurice Van Hecke of the University of North Carolina Law School as Chairman. This Commission has done a great job in research and promotion of the migrant as an individual.

In 1955, the N. C. Committee on Migrant Labor was established with the Honorable L. Y. Ballentine, N. C. Commissioner of Agriculture, as Chairman. The Committee is composed of representatives of the State Departments of Labor, Health, Welfare, Education, Motor Vehicles, State Employment Service, Council of Churches, Council of Church Women, growers and the public at large. This committee has done much to improve the migratory labor program in North Carolina and has sponsored legislation establishing housing and transportation regulations on a statewide basis.

Farm Workers Give Impressions of North Carolina Conditions

In April, migrant farm labor begins to arrive in North Carolina and throughout the harvest season over 13,000 will have come and gone. They mostly come from Florida and they arrive in crews—some call themselves the "Blue Boys," the "Red Devils," and in all there will probably be around 200 crews coming into North Carolina, maybe averaging 60 workers to a crew.

They are organized, transported and fed by crew leaders who receive a certain amount of money for each measure of crops they harvest. There are about 15-20 women crew leaders. These crews are well known up and down the eastern seaboard for most crew leaders have been in the business of farm labor for a long time.

Migrant farm labor began coming to North Carolina in 1928. Efforts to organize this movement began in 1936. In April, representatives of the Employment Security Commission again go to Florida, as do farm placement representatives from other states, to recruit out-of-state workers. They meet with these crew leaders, present job orders, and commitments are made for so-and-so's crew to arrive on such-and-such a farm at a specified date to harvest a specific crop.

When they leave North Carolina, they go on up the line to New York, New Jersey, Virginia, Maryland, Pennsylvania, Ohio, Indiana, Michigan, and other northern and midwestern states.

Robert Ray, a 50-year-old crew leader from Polk County, Florida, is one of the few white crew leaders who makes this movement each year and he has been coming to North Carolina since 1946. This is his report, made last July—a tape recording made outside a farm placement office located in Camden County:

"How many people do you have with you up from Florida?"

"About 70."

"And they're all recruited there in Florida?"

"Yes. Florida and Alabama."

"How do you like North Carolina?"

"I like it fine. When I leave North Carolina I go into Roanoke, Virginia, on peaches and apples."

"After Roanoke, Virginia, what?"

"I go back to Florida on oranges."

"Mr. Ray, this is a year-'round proposition with you?"

"Yes, that's right."

"The housing here in the Elizabeth City area—is it up to what you consider to be good standing, Mr. Ray? How do you compare?"

"Yes, they compare with other places we go, except that most of them don't have quite enough space. For the help they need in here, they don't have quite the space they need."

"How do you transport your people."

"On buses, two buses."

The economics of Camden county are heavily involved in migrant labor, as it is in other counties which need out-of-state workers, particularly Currituck, Pasquotank, and Henderson counties—those areas which probably use more migrant labor than others. It's a problem of supply and demand, and it's one which reaches every Tar Heel family through their dinner tables because a lot of farmers need migrant labor, or else they stand to lose a crop.

Despite a year-after-year effort to utilize available local farm labor with day hauls and inter-county movement of workers, North Carolina crops cannot be harvested with what farm labor we now have in the state. Our farm workers leave the farm. The problem of har-

vest is acute to many North Carolina farm people. There are jobs here for migrant workers, and even if there was no attempt to bring organization to it, the migrant labor movement would continue every harvest season, every year.

This meeting of rural employer-employee is the job of the state farm placement service, and chances are the farmer who likes a crew leader and his crew will have them back again next year.

George Wood of Camden, a potato grower, says he uses migrant labor in his packing shed. But he uses machinery to harvest:

"George, I understand that migrant labor is working your potatoes for you this year. I talked with one of your crew leaders yesterday. How many laborers do you have out on the farm?"

"We have about 80 working in the packing shed. We don't use migrant labor in the potato fields. Up until last year we had more than 80, but since we have purchased these mechanical harvesters, it has cut the number of people we need down considerably."

"If you didn't have migrant labor, George, what do you think you would do then?"

"Well, we're trying to get into a position that we won't need so much migrant labor. Of course, as it is now, we need them and we can hardly get along without them, but I think as time passes and machinery becomes more efficient, we'll get to the place that we can harvest almost as many potatoes as we are harvesting now with local laborers."

"When do these people come up, George, and how long do they stay on the farm working for you?"

"They generally come beginning around the first of May into the area. They work snapbeans first in the adjacent county, Currituck County, and then they stay on here in Camden until about the middle of July."

"Do you provide housing for them, George?"

"Yes."

North Carolina itself contributes to migrant labor. About 1600 of our workers each year make the trek up the line to northern farms. And the reverse is true. About 1000 North Carolina farm workers were recruited during the winter months and transported to Florida to harvest citrus crops.

Actually, migrant labor constitutes a small portion of the some 150,000 hired farm workers who harvest North Carolina crops. Local labor—and there is competition for it—comprises the bulk of farm workers, and again it's through a concerted recruitment effort that provides income for the worker and crop harvest for the farmer. Of the 100 counties in North Carolina, Nash and Edgecombe have the highest amount of available local farm labor and Onslow has the least. Similar to migrant workers, local people are organized into crews by

Supervisor of farm placement in the Kinston area Jim Hunter (right) talks with a group of intra-state farm workers. "You grow it, we'll harvest it," is their slogan. A great number of farm workers in North Carolina are recruited to go from county to county. There is a three-way source of farm labor—migratory, local, and intra-state. And continual efforts are made to have labor at the right place at the right time.

crew leaders, transported to the job by day hauls.

Sim Meadow is a local crew leader from Kinston. He believes farmers have a good situation when local labor, out-of-county, and out-of-state labor is available to harvest North Carolina crops:

"Well, it seems to me that they have. There is quite a bit of out-of-state labor here. Some of these people I've been around. Some of 'em is all right and some of 'em don't know anything. You gotta be right with 'em every minute. I feel like the more help we can get from around here the less of them we will have to bring in. This gives more income for the local people."

"How many do you have with you now?"

"I have 23 today. Some days I have as many as 30-35, but carrying them on a pick-up truck, I make two trips if there be enough work in the field for that many, figuring on the more help we have a day the sooner we can get out and get someone else to help fill out."

"How do you recruit labor?"

"Well, I kinda notify them early in the season before the season starts that I will probably need one of them to help me out. After the season opens I get up in the morning and go around. The different ones that help me know about it, and they be looking for me. Some of the others hear about it and they be out waiting. Anybody that don't have the whole week working, I pick them up."

"This is all male labor. You don't have women working?"

"Naw. I have women, some children. Some parents bring their children along. Others come anyway. They do pretty good."

"About how long do you work during the day? How many hours?"

"We try to make ten hours. Some days we get through sooner."

"Well, the local people, I understand, quite a few of them are leaving North Carolina, going to other states, looking for other jobs up North. Is that right?"

"Well, for higher pay. But I don't think it is so much in the farm work that they are leaving."

"Do you think there is any way to convince these people that it would be better for them to stay down here, Sim, on the farm?"

"Well, now the people seem to be getting more interested in helping on the farm, and I believe that it is going to improve each year. The more that the people learn that they can get help if they don't have any way of hauling them that someone will bring them to 'em. Interest the people in, you know, and offer them a fair price. I don't think they will have much trouble getting local help."

"Sim, you do this work, of course, during the tobacco harvest season. How about during the other months of the year. How are you employed then?"

"Oh, I do plaster work."

"What do you think these people would be doing, Sim, if you didn't help them find farm labor?"

"Ha! I don't think they would be doing much of anything now."

I don't think they would be doing much of anything now. . . .

There is the problem of farm employment—to provide continuing, year 'round

(Continued)

source of income for the hired farm worker. In every instance, when asked, "What would you be doing if you were not harvesting crops in North Carolina, or what do you do during the off season?" the answer was with uncertainty, or perhaps with some despair.

What motivates these people?

Simon Kemp is a crew leader from Vicksburg, Mississippi. He's known in the circuit as a good crew leader. He's one of the best. When I talked with Simon last July several miles out in the country from Kinston, rain was falling. His crew was out of the field until it stopped. They could not earn a wage. One member of his crew was hospitalized with appendicitis, and this was an expense born by Simon, not a cost to the state, county, or employer. Simon was proud that he had a daughter graduate from the University of Detroit. She is now a school teacher.

Simon has been coming to North Carolina with a crew since 1953, and his wife also used to be a crew leader:

"How many people do you bring up with you each year?"

"It varies. The first year I think we started off with 48, and it's been around 60 for most time, and this year, I think I got 93."

"And you find work for these people through the Farm Placement Service here in North Carolina?"

"Yes sir. I've found that the employment man have been very cooperative in seeing that we get work. And when we get here he always have a place for 'em to stay and plenty work."

"How do these places that you stay in stack up with other places?"

"Well, I thinks it stacks up pretty well, as a whole. We find some places that the beds is not, you know, too well. Once in a while we find that, but I think as a whole it's very nice.

"It seems a little unusual that Mississippi folks are up here working in tobacco. Where did they learn to work tobacco?"

"Well, most of 'em when they come up here is green. Haven't even seen tobacco. But we find that in a few days, well . . ."

"They pick it up pretty well?"

"They pick it up pretty well. Once in a while we find a man that you can't put him no where and suit him. He don't work out too well. I think I got about two in this crowd. I don't know what I'm going to do with them."

"Simon, tell me what your people do when they are not working on the farm."

"Well . . .I, I . . ."

"Little hard to say, isn't it?"

"A little hard to say. Some of them find jobs elsewhere. Around service stations and whatever they can do."

"This farm labor that people up here provide is actually of great benefit to you?"

"It is. It is. It helps out so much. I find that some of my better workers is these younger boys, around 17. From around 18 to about 20 years old. A lot of those boys are in high school, and it helps out quite a bit for them to continue their schooling."

"I see. Do they like to come up here? What do they think of North Carolina, Simon?"

"Well. Some of them likes to come up here, and some of them find that the work is a little bit tight the first week, and when they get home and get ready to come back the next year they think about that first week they have up here, and . . ."

"How do you get along with the local labor people up here?"

" Uh. I, I get along fine."

"What do you do during the off season when you're not up here in the tobacco fields?"

"Well, various things. I run a wood yard back home."

"That's Vicksburg?"

"That's Vicksburg, and . . . uh. That's what you're talking about when I'm back home?"

"Right."

"Well, I run a wood yard, and I also haul school children around. Do all the hauling athletes around. I haul the basketball, football and what not."

"That's the colored high school?"

"The colored high school, and also the grammar school."

"How's the labor situation in Mississippi. You've got more or less workers?"

'Well, uhhhh."

"Most of them leaving Mississippi, like they do up here?"

"Yes sir. We find that quite a few of them are leaving, but somehow or other we still grows them up and when they leaves you can hardly tell. In other words, you can't hardly miss 'em. I believe you asked that . . . What else? That's about all I do down there. I also hauls to Flahdy."

"Florida?"

"Flahdy."

"Do they like to come to North Carolina better than they do to Florida?"

"Well, I'm sure they do. They makes more money here than they do down in Flahdy. By all means."

TENANTS AND WAGE FAMILIES FIND FARM WORK

LLOYD PROCTOR, *Farm Placement Interviewer, Rocky Mount*

As a part of its effort to place sharecroppers on farms with crop openings and to place families to do wage work, the Rocky Mount local office of the Employment Security Commission has established an employment office clinic called "Farm Employment Days." In addition to offering the services of the local office, these clinics provide a meeting place where farm operators and prospective sharecroppers and wage families can get together and attempt to satisfy their respective needs for the coming farm year. The Farm Placement Interviewer from the Rocky Mount office establishes and operates these extra points of service.

PROCTOR

These clinics are held on Monday, Tuesday, and Wednesday of each week during December, January, February, and some years in March. The meetings are held in the ESC office on Tuesday, at the Nash County Court House in Nashville on Monday, and at the Town Hall in Tarboro on Wednesday. Places where the meetings are held must be well known to both farm operators and the prospective workers, and these extended points of service are of special benefit to wage families and sharecroppers who have limited means of transportation. They are also more likely to find a farm or a family they are familiar with and close to their own community.

About 75 per cent of the farming in Nash and Edgecombe Counties is done by the sharecrop method and the rest by wage families living on the farm. For various reasons there is usually a vast migration of these workers each year. Both the farm operator and the worker have learned that they can come to the ESC Farm Employment Day clinic for satisfying his particular need.

Always On The Lookout

Landowners are always looking for better tenants and the tenant is always seeking better land and a better farming agreement. The local ESC office plays a great part in assisting these farm families and landowners in getting together at the beginning of each farming season. The office places from 250 to 300 tenant and wage families on farms each year. This is why we feel that the Farm Employment Day program is both import-

—See FARM DAY, Page 84—

Fronk Johnson, Asst. Director in chorge of Form Labor for the Bureou of Employment Security, Washington, tolks before on ossembled group of ESC farm plocement interviewers and other personnel ot the onnuol Farm Plocement Conference. Roy Bozemon from the Regionol Office (Johnson's left) owoits his turn. Raymond Umsteod presided over the annuol meeting.

Farm Placement Annual Meeting Well Attended

Approximately 70 farm placement interviewers, labor market analysts, veterans employment representatives and local ESC office managers attended the two-day farm placement conference held February 1-2, at the Hotel Goldsboro in Goldsboro.

Frank E. Johnson, Assistant Director in Charge of Farm Labor for the Bureau of Employment Security in Washington spoke before the annual meeting and called North Carolina's farm placement program "second to none in the entire country."

In addition to Johnson, other guest speakers included farm labor representatives from the Bureau of Employment Security's regional office in Chambersburg, Pennsylvania, and Employment Service personnel from the ESC central office in Raleigh.

The conference wos ottended by opproximotely 70 interviewers, locol office monogers, ond other Employment Service Division personnel. Time wos devoted to workshop sessions (photos below ond bottom) to determine the ovoilobility of locol form lobor. Efforts ore mode to ploce oll local lobor before committments are made to recruit migrotory workers. Yet, migront lobor is still vitolly needed.

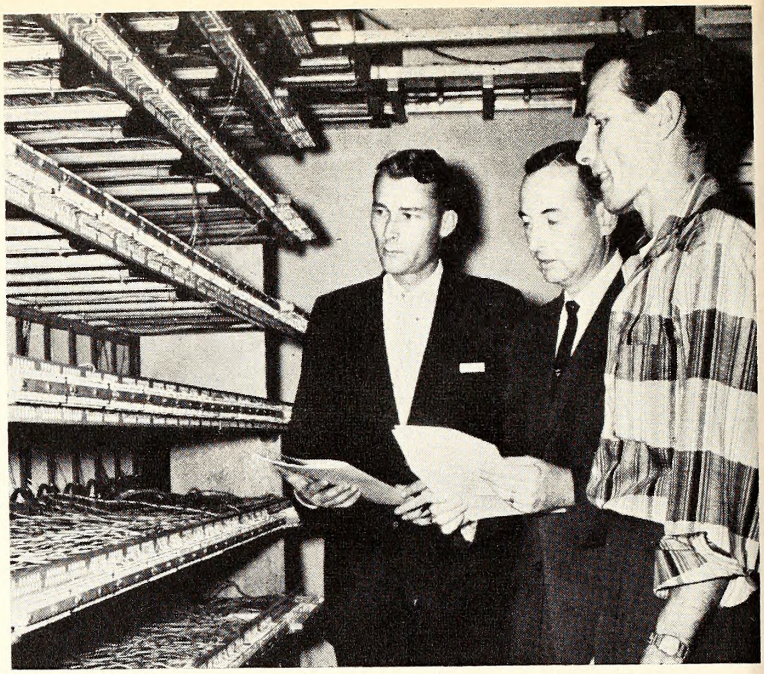
The Farm Placement Division of the Employment Security Commission is an employment service function which recruits and places farm labor according to orders placed by North Carolina farmers. Raymond Umstead is in charge of the ESC farm placement program and he presided over the Goldsboro meeting. Purpose of the meeting, according to Umstead, was "to take inventory to see if we could determine just how much local farm labor was available this year for North Carolina farms. We located this labor through the people attending the farm conference," the supervisor said.

"Our policy," Umstead explained, "is placing local labor on jobs first. If local labor is not sufficient, then we'll try to determine how much out-of-state labor must be recruited." Umstead also pointed out that wage surveys and methods for determining the prevailing wage for farm labor was discussed at the conference, explaining that the prevailing wage must appear on all orders placed for out-of-state workers.

Called one of the most successful of farm placement conferences, the group divided into workshop sessions to determine the availability of local farm labor. This information was considered when three ESC representatives went to Florida to recruit migratory labor in subsequent months. These men carried 180 orders for migratory workers, and it was expected that an additional 75 orders would be placed for tobacco workers.

Also included at the February conference were discussions on housing and P.D. program for migrant workers presented by representatives from the State Health Department.

Duke Medical Center's personnel representative Robert Hall discusses a questionnaire with medical technician Jean Wilkerson. Because of the variety and nature of the Medical Center and University occupations, the Duke job survey was one of the most comprehensive ever attempted by the ESC Industrial Services.



Hall and ESC Occupational Analyst Carl Harrelson appear somewhat dismayed in the telephone switch room. Dallas Loudermilk (right), communications systems foreman explains that 1400 telephone lines run through this system which is part of the University and Medical Center's maintenance department.

JOB STUDY

—Continued from page 61—

Department heads and unit supervisors at Duke and the Medical Center reviewed and approved the position class specifications. Some of these people served on review committees in connection with the entire study.

Among those serving in these capacities, or who made significant contributions in conferences, were: Richard A. Bindewald, Assistant to Dean, School of Medicine; H. F. Bowers, Manager of Operations; Dr. Florence Brinkley, Dean of Woman's College; Dr. Ivan W. Brown, Director, Blood Bank; Lelia R. Clark, Director of Nursing Service; Dr. R. E. Cushman, Dean of Divinity School; John M. Dozier, Business Manager; C. A. Dukes, Director of Alumni Affairs; Charles H. Frenzel, Superintendent of Duke Hospital; Dr. Phillip Handler, Professor of Biochemistry; S. C. Harward, Comptroller; E. L. Haywood, Chief Accountant; Dr. Marcus E. Hobbs, Dean of the University; W. K. Howard, Maintenance Engineer; Dr. Charles E. Jordan, Vice-President in the Division of Public Relations; T. W. Minah, Director of Dining Hall Operations; Dr. Benjamin E. Powell, Librarian; Esther V. Ratliff, Director of Dietetics; Martha J. Scoggins, Director of Housekeeping, W. J. Seeley, Dean of School of Engineering; Preston W. Smith, Technical Associate in Clinical Microscopy; Dr. E. A. Stead, Jr., Professor of Medicine; J. D. Wellons, Jr., Manager of Stores Operations; W. E. Whitford, Director of Operation and Maintenance; Dr. Barnes Woodhall, Dean, School of Medicine.

There were many other departmental chairmen and supervisors who provided valuable information and assistance.

Will Help Determine Wage and Salaries

What will the University do with this position classification plan? First, survey results will be used as the basis for a review of the University's and Medical Center's current wage and salary rates and the development of wage and salary schedules for each job classification. This will involve making extensive wage surveys to determine current pay rates in other universities and medical centers and among local firms whose employees fill positions comparable to those represented in the University classification plan. A considerable amount of statistical processing will be necessary regarding the data and its usage as a reference point. Mr. Donald Hayman, Director of the Institute of Government at the University of North Carolina, has agreed to serve as advisor to Duke personnel regarding use of wage data in establishing the pay plan.

The position classification plan will be used in the recruitment and placement of workers, the establishment of a performance standards system, and the development of a training program. Personnel Technicians Christian and Hall are expected to work out the details of the performance standards and to set up training programs, and they will maintain the classification plan on a current basis.

The preparation of the Duke classification plan was a challenging and interesting project for the five men engaged in the work. The great variety of activities of the several thousand employees engaged in many fields of endeavor gave us some very unusual pictures. Standing out in our minds are the technical, research, and medical laboratory positions. Harrelson, Bumgarner, Christian and Hall gave excellent professional accounts of themselves. We are happy that Duke University has taken this forward step in its personnel practices, and we feel that the plan will prove of great value.

ABUSE

—Continued from page 58—

ing out of inefficient and trouble-makers would help.

Abuses Exception

Extreme abuses are the exception and not the rule in North Carolina which has accumulated a $170,000,000 surplus, it is pointed out.

Reports from other areas would indicate that North Carolina, in fact, is much better off than her sister states.

The April 1960 issue of the Reader's Digest lamented the abuses of the program in an article written by staff writer Kenneth O. Gilmore titled "The Scandal of Unemployment."

"Thousands of loafers, quitters, schemers and cheaters for whom unemployment compensation was never intended are today drawing on this seemingly bottomless grab bag," Gilmore wrote.

Gilmore went on to mention the case of a 65-year-old man who bade his colleagues farewell and launched into retirement, well-fixed with a monthly $18 pension from the company, a $1,800 year slice of a deferred profit sharing plan, plus Social Security pension checks.

According to the article, the man registered as a job seeker, knowing full well that his age would prohibit his employment at another place, and drew $35 per week for the next seven months without doing a lick of work. For the next 30 weeks he drew $33 per week, a total of over $2,000 all together.

Teacher's Case Cited

This did not happen in North Carolina, but he cited another example which

he claimed did take place in this State.

"After classes let out for summer vacation, a Georgia school teacher who was paid by the year collected unemployment in North Carolina, claiming that his monthly school checks were for work he had done in the school term," said the writer.

Replied Boyles: "Anyone with any knowledge of the law would know that this could not be true. School teachers are not covered by Employment Security Law."

If the collapse of standards set up by the program is forthcoming for North Carolina, it will be through the lack of cooperation of employees who are honor-bound to report suspected infraction, local officers insist.

One man cannot rid a vast barrel of all the rotten apples. Nor can two or three. But with the cooperation of hundreds of firms and executives, it is entirely possible that Hickory's labor market can remain unspoiled.

EDUCATION CENTERS

—Continued from page 10—

Last year, the first year of operation, with only 11 centers open (and they were not in full operation) 12,000 people were enrolled. Not all of these people attended the centers for the full two-year curriculum for many of them were enrolled in short courses; but the important thing is that an educational need is being supplied. These centers are having and will continue to have a growing impact by helping the masses of our citizens develop their talents.

Five major types of programs are offered:

1. Machine operators
2. Craftsmen
3. Technicians
4. Supervisory training
5. Upgrading classes for employed adults

Courses available are:

Technician Courses

1. Electronics Technician
2. Industrial Technician
3. Metal Processing Technician
4. Building Industrial Technician
5. Chemical Technician

Skilled Trade Courses

1. Machinists
2. Refrigeration Mechanic
3. Welder
4. Auto Mechanic, and
5. Industrial Draftsman to name a few.

Upgrading Courses

1. Electrical Code, TV Servicing
2. Sheet metal, building estimating, time study, etc., more than 50 such courses.

Not all courses will be offered at any one center. Burlington is offering a data processing curriculum, the only one in the state. Wilson, Winston-Salem and Charlotte are offering diesel engine service and maintenance.

Other services of the Division of Vocational Education will be offering some programs at the post high school level in Industrial Education Centers soon. Some centers are now offering courses in agriculture technology, marketing and distribution and certain fields of secretarial work.

Industrial Education Centers will attain stature as post high school educational institutions. They will serve to their maximum capacity as institutions for continuing one's education. They will assist in North Carolina's development of skilled craftsmen and technicians.

IEC - ESC

—Continued from page 8—

Center, a record of the counseling is furnished the school.

The ESC Industrial Services section prepared a list of sixty jobs closely related to the types of training conducted by the Industrial Education Centers. Copies of the list were furnished each Center and all ESC local offices. Three sets of norms were included: the occupational aptitude patterns, specific batteries, and "estimates" which were taken from *Estimates of Worker Trait Requirements for 4,000 Jobs*. These screening devices have been very helpful in assisting students to enter a suitable course of study.

Some of the students are interested in obtaining part-time work and the ESC assists them in finding suitable work. Many of the courses take two years, during which the students are not in the labor market. For this reason, placements have not been very high. As more students complete their training, the ESC expects to step up the placement phase of the cooperative agreement.

Educators, along with officials of the Employment Security Commission, are confident that the interests of the schools and employment security have been served well by their having worked together. Over 22,000 students are now enrolled in the Industrial Education Centers, and it is anticipated that the number of students will continue to increase rapidly.

WNCRPC

—Continued from page 15—

nedy on May 1, 1961, Western North Carolina was preparing itself for appropriate action. County Planning Boards were established in counties qualifying under Section 5(b) of the Act and work began on overall economic development programs. WNCRPC has provided guidance and assistance to these Boards. State and Federal agencies have been most cooperative in furnishing necessary information. The N. C. Employment Security Commission has been most helpful in providing statistical data.

The importance of this new tool in economic development to North Carolina was demonstrated when Governor Sanford appointed George M. Stephens, Jr., as his Special Assistant for Econoric Development. Both have been ready to help the State's areas, organized and unorganized, progress with development programs.

Of the nine eligible counties in the Commission's service area, Madison and Mitchell have already submitted provisional Overall Economic Development Programs. Avery, Yancey, and Swain have made considerable progress toward completing their programs. WNCRPC is pleased to have had a part in these efforts.

CLAIMS DEPUTY

—Continued from page 76—

identifies individuals present and explains various sections of the Employment Security Law and how the claimant may be affected. After the oath is administered, as required by N. C. law, the deputy begins his questioning and, following a well planned procedure, hopes to resolve all issues and to announce a decision at the conclusion of the hearing.

Here are various sections of the Law and the disqualifications they evoke: A person who has voluntarily separated from his job without good cause attributable to the employer is subject to a disqualification of not less than four weeks nor more than 12 weeks. A person who is found to have been discharged for misconduct is subject to a disqualification of not less than five weeks nor more than 12 weeks. A person who is found to have failed to apply for or accept suitable work when so directed by the Employment Security Commission is subject to a disqualification of not less than four weeks nor more than 12 weeks. A person is ineligible for a week in which it is found that the claimant is not able to work, available for work, actively seeking work, or on a week of vacation established by the employer (not to exceed two weeks during any one year). A person who has received wages in lieu of notice is ineligible. A claimant is ineligible because he is self-employed. A person who has made a voluntary confession or been convicted in a court of competent jurisdiction for larceny or embezzlement connected with his work is subject to having his base period wages cancelled for all quarters prior to and including the quarter in which the act was committed.

These sections of the law influence the rulings of the claims deputy. In a hearing the claims deputy, depending on the issue, must carefully consider such items as the claimant's hours of work, working conditions, machinery used, language used, production requirements, willful or wanton negligence, degree of risk on the job, his health, safety and morals, the distance the claimant must travel, and many other circumstances of each individual case before rendering his decision.

Without Favoritism

In applying these sections of the law the claims deputy must consider all of the sworn testimony presented at the hearing. In making his determination, he must use his own judgment to reach the proper conclusions based upon the facts

(Continued)

of the law without favoritism to either the claimant or employer.

When the claims deputy dictates his decision, which is also a part of the electrically operated transcribing process prepared on a disc, his files are returned to the Claims Deputy Unit in Raleigh. Here all decisions are typed and mailed to interested parties.

In 1961, there were 69,962 decisions of a quasi-judicial nature mailed in North Carolina. Both the employer and the claimant have a right to appeal the decision if they do not think the decision is in accordance with the law. Claims deputy work is unlike the up-and-down trend of unemployment. For example, unemployment may decrease, but questionable claims may increase because when the demand for labor increases there are more voluntary quits, discharges and job referrals from workers.

The hearing is only a part of the claims deputy's work. He must also make personal contact with claimants and employers, and make such investigations as necessary in the prevention and detection of fraud. The employer may want to know why he should appear at a hearing and how the payment of unemployment insurance affects the amount of contributions he will pay. The claims deputy must know the answers and be able to refer him to the appropriate authority on any other issues that may arise.

. . . **WILBUR PEACOCK**

AREA SUPERVISOR

—Continued from page 68—

Also, he should use the assistance of state office personnel for installing and evaluating administrative operating and technical programs and procedures. He must determine the need for such services, and arrange, in cooperation with the manager, to secure assistance if needed.

A well rounded information program in each local office must be developed. The supervisor should help the manager secure newspaper, TV and radio publicity; see that local organizations and community groups receive labor market information, and assure that there is an exchange of informational material among offices.

He must insure that cooperation from community organizations and groups is obtained. This is accomplished by checking time, nature and extent of the local office contact with community organizations, employer associations (Board of Trade, Chamber of Commerce), labor organizations and veterans groups. He must check the frequency, extent, and nature of requests from these groups for special labor market information and advise on employment problems. The results achieved from managers, contacts with community organizations and their inquiries must also be checked.

Close working relationships with local officials must be maintained to provide needed housing and transportation for workers in an area. When a housing committee is functioning, the supervisor must assure full participation by the manager and local office, and see that adequate consideration is given to transportation as a factor in staffing plants.

. . . And Recruitment

He must make provisions for transfer of labor in and out of the area and determine the need for transfer. The supervisor helps local office managers select the most productive means of recruitment and must coordinate their efforts in these activities. The supervisor keeps the state office advised of surplus unskilled labor available in the area.

It is the supervisor's responsibility to aid the manager in developing close working relationships with other agencies. To render such aid, he must take the following steps:

1. Determine whether there is a satisfactory working relationship between ES and UI at local office level.
2. Determine whether the operating practices in regard to claimants are satisfactory.
3. Determine whether the staff has received training as to the agreements between various agencies.
4. Determine whether there is a satisfactory working relationship between the local office and the (1) Railroad Retirement Board (2) State Extension Service (3) Veterans Administration (4) Vocational Rehabilitation Administration (5) Civil Service Commission.

The supervisor must arrange for and conduct regular area staff meetings and assure that activities of the local office managers are coordinated and ideas and suggestions exchanged.

It is the responsibility of the supervisor to take appropriate action on recommendations resulting from surveys conducted by the Evaluation and Training specialists and to discuss these recommendations with the state office and local office managers.

The supervisor must determine the staffing needs of the local office. He checks production per person in each office against state averages, and determines office potential. He is responsible for the re-allocation of personnel and will consult with the State Director in instances of poor performance.

Recommendations to the State Director for promotions, transfers, and other local office personnel actions are made by the supervisor, including demotions and disciplinary actions.

He reviews the performance of, and prepares official efficiency ratings for each local office manager in the area.

He determines and recommends budgetary requirements for the area to the State Director and participates with state office staff in the development of the overall state budget.

He helps managers obtain adequate office premises, equipment, and other physical needs for the local office. He must keep informed on adequacy of space and facilities for all programs in the local offices. It is his responsibility to take action for necessary improvements.

The supervisor must insure that the local office layouts are adequate to meet current operating needs. He must determine that the functions and equipment are properly located.

It is his duty to assist the local office managers in administrative service and other matters of a general housekeeping nature, and to see that these services are adequate.

The supervisor is responsible for making recommendations to the State Director regarding the need for revised policies and procedures to meet current operating requirements. These recommendations are based on analysis of operating trends and problems and he will participate in state office conferences held for this purpose.

FARM DAY

—Continued from page 80—

ant and necessary in our services to agriculture in this area.

About 100 posters are distributed each year to publicize Farm Employment Days. The posters are placed at locations visited frequently by farm people. Much of the success of this program can also be contributed to its wide publicity as on our local radio programs. The local office manager and other staff members present a daily five-minute program and a fifteen-minute weekly program. Farm jobs, crop openings, and farm applicants are discussed for public benefit at leas 250 different times during a year's time Newspaper articles and personal con tacts are also used to promote this phas of the farm placement program.

Farm Employment Days have bee used in the Rocky Mount area for abou 12 years. With the kind of farming op erations found in this area, there is pos itive proof that this part of our Farm Placement Program has been very help ful to agriculture in Nash and Edge combe Counties. Since agriculture fur nishes the largest single source of in come in the two counties, it is with prid and pleasure that we shall continue t make Farm Employment Days a vita part of the Farm Placement Program.

FSTC

—Continued from page 34—

Those who fail to graduate usually ar forced to take unskilled jobs.

The young men trained in Au Mechanics secure employment in garage service stations or go in business f themselves. The graduates of the cour in Secretarial Science have been en ployed in schools, colleges, business e tablishments, and government. The m jority of them are working in Nort Carolina.

. . . **RUDOLPH JONES, Preside**

DROPOUTS

—Continued from page 25—

A philosophy of continuing education should be basic to our system of education. This philosophy would begin with the elementary schools and continue through all levels of formal education. After graduation from high school the student should wish to continue his education. A desire to continue to learn should be a natural consequence of the student's education in college. Adult education of the kind desired cannot grow and flourish unless, in the process of teaching and learning, the individual is left with a desire to continue to learn.

With adult education a recognized part of the program of education, our schools, colleges, universities and professional schools would feel a responsibility for the education and make provision for it. Knowing that there are opportunities for the education, the adult population will take advantage of the opportunities.

Increasingly, our public secondary schools are providing educational opportunities for the out-of-school youth. The institutions of higher learning, in a larger measure, are providing opportunities for adult education through correspondence courses, extension class teaching of various kinds, television, college and non-college evening programs, and seminars.

Many of the senior colleges, public and non-public, have well-developed evening college programs. In the public community colleges full programs are provided which lead to graduation. In two senior colleges, N. C. State and Guilford College—and there may be others—one may complete all requirements for a degree through the evening college study program. But, whatever the program of adult education, it should only supplement and complement the education in the class rooms of the public schools and on the college campus.

Most of our education is good and will become better. My concern here has been with those areas in which I believe there are weaknesses, shortcomings, and to some extent, failures. I have dealt with the human element in education at points which most affect individuals, and in areas that measure both quality and quantity in education.

JOBS WANTED

—Continued from page 25—

a job increases the willingness of young people to start at the bottom, thus offering the employer a worker who is more likely to be an asset.

In those instances when young persons seem reluctant to accept work which requires starting at the bottom, the beginning salary can usually be pinpointed as the cause. Generally, persons seeking employment for the first time have little knowledge of prevailing wages. This, along with lack of experience in being financially responsible for themselves, often causes shocking disappointment to many who find they will be unable to become independent overnight on beginning salaries for inexperienced workers.

Considering how seriously young people want employment, it must be admitted that their attitudes range from indifference to mild concern to definite anxiety. These attitudes, of course, are basically a result of need. Young people with financially secure backgrounds often do not feel a real need to find work, and therefore may approach "job hunting" with a lack of interest. Those in the so-called "middle class group" usually feel the need of having their own income but do not feel pressured into finding work immediately. Generally, they become concerned when they are not offered work after the first few job interviews. The large group who are forced through economic necessity to work are perhaps most seriously interested in employment, and their anxiety often drives them to accept the first job offered. It may also limit offers of employment since best impressions are not usually made when one feels pressured to succeed in what he is attempting.

While it may not seem of basic importance, the realization that society expects young people to have a means of support is common to all of the three groups mentioned and will also affect the answer to how seriously they want employment.

Through consideration of the problems a young person faces in an attempt to find a satisfactory and rewarding way of earning his living, we cannot find all the answers to enable us to hand him the necessary solutions. Becoming acquainted with problems and their probable causes, however, will help us be more considerate of those who face them. This will also motivate us to take constructive action in providing needed opportunities for education, training, and guidance for young persons in order that they may not only find satisfactory work but be better equipped for the responsibility of living in a world which they will one day govern, control and enjoy.

PLACEMENT

—Continued from page 18—

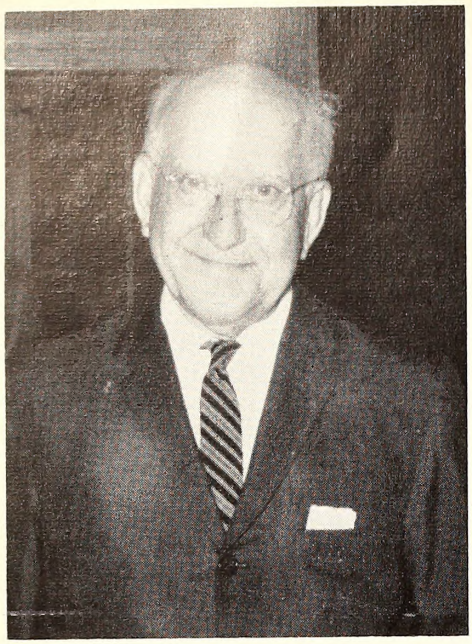
clearance, the order-holding office prepares and transmits to the state office a brief description of the unfilled openings for listing in the state inventory. Every two weeks, copies of the state inventory are distributed to all local offices within the state, offices of direct clearance in adjoining states, all local offices participating in the Professional Office Network, all state administrative offices, all regional offices, and the national office of the Bureau. Therefore each local office receives a copy of the inventory for its own state and for each adjoining state having offices authorized to use direct clearance.

Releasing information about unfilled job openings by the inventory method is a rapid, effective, and relatively inexpensive method of extending clearance job openings. A job seeker becomes a "clearance" applicant when he: (1) cannot be placed locally and accepts referral to a job opening which has been extended as a clearance order on the Inventory of Job Openings, and (2) desires employment elsewhere and a search for a job opening has been initiated through job development.

The local employment office should exhaust all possibilities of finding a job for an applicant locally before offering him a job opportunity elsewhere, unless, of course, the applicant desires employment in another locality. Once employer requirements are published through the statewide inventory, subsequent clearance actions can occur. Upon receipt of the inventory a local office checks its application files and negotiates directly with the order-holding office when qualified applicants are available who will accept employment elsewhere. Also, a local office having qualified applicants who are willing to take jobs in other localities transmits a request to its state administrative office to search other state inventories for suitable job openings. If no preference as to locality of job opening is indicated in the request made by the local office, the state headquarters searches all state inventories for potential job openings. Due consideration is given the ever widening circle of states with the applicant-holding state as the focal point. An effort is made to keep distance between an available applicant and a potential job opening at a minimum to save both time and expense.

If a preference is indicated as to locality of a job opening, the search made by the state office is limited to the appropriate state inventory. No matter if the clearance job opening is extended by a Clearance Order or is listed on the State Inventory of Job Openings, the clearance transaction is negotiated by two local offices, one with an order and the other with an applicant.

This joint action is clearance. The Immigration and Naturalization Service of the Department of Justice has enlisted the cooperation of the U. S. Employment Service in carrying out its responsibility in connection with the admission of foreign workers for permanent or temporary employment in the United States. Extension of the job order through clearance procedures is obviously necessary to determine the availability of qualified workers in the United States. If qualified applicants are not available for referral, the United States Employment Service provides the employer, through channels, with the proper documents necessary to file a request with the Immigration and Naturalization Service for permission to import foreign workers. The basic purpose of clearance procedures is to expedite clearance activities and to make clearance operations as flexible as possible. Good judgment is required in decisions concerning recommendations, selection of locations for clearance and determining the availability of workers.



Dr. Van Hecke Receives Thomas Jefferson Award

The Thomas Jefferson Award at the University of North Carolina has been won by member of the Employment Security Commission Maurice T. Van Hecke.

Dr. Van Hecke is a Kenan Professor of Law at the University and is former dean of the UNC Law School. Selected as the one on the University faculty whose life and work is in the best tradition and spirit of Thomas Jefferson, Dr. Van Hecke received the award in May which is annually presented to a member of the academic community.

The Earl McConnell Foundation of Florida gave $10,000 last year, the income to be used for an annual award. McConnell previously established a Jefferson Award at the University of Virginia, and outstanding members of the faculty at that institution have received the prize from year to year.

The recent presentation to Dr. Van Hecke was the first one at the University of North Carolina and Chancellor William B. Aycock made the award at a faculty meeting.

The certificate accompanying the award read as follows:

"The Thomas Jefferson Award is made to Maurice Taylor Van Hecke. Being that member of the academic community who through personal influence and performance of duty in teaching, writing and scholarship has best exemplified the ideas and objectives of Thomas Jefferson."

Professor Van Hecke is also former president of the American Association of Law Schools. He became a member of the Employment Security Commission in 1957 and conducted a seminar on the unemployment insurance program in 1959. Dr. Van Hecke has been called into Federal advisory service three times, serving in 1950 as Chairman of the President's Commission on Migratory Labor.

PEACE CORPS

—Continued from page 65—

Present recruitment methods, in which applicants are examined on a group basis at some 500 Civil Service examining centers, have been effective during the Peace Corps' first year of operation. However, the Peace Corps expects volunteers will be high from persons skilled in construction, agriculture, health services, and vocational education. "The Employment Security Commission through its local employment offices is in a position to assist the Peace Corps in meeting this demand," according to Washington headquarters.

The nine local ESC offices assigned to recruit, select, and test Peace Corps applicants are located in Greensboro, Elizabeth City, Jacksonville, Lumberton, Rockingham, Bryson City, North Wilkesboro, Morganton, and Rocky Mount.

The Peace Corps has had requests this year for mechanics, home economists, agricultural technicians, draftsmen, clerical personnel, construction craftsmen and machinists to serve in projects now being recruited for 30 countries in Africa, Asia, and Latin America.

NEW STATE IAPES OFFICERS FILIPSKI, TEW, McINTYRE, HARRIS

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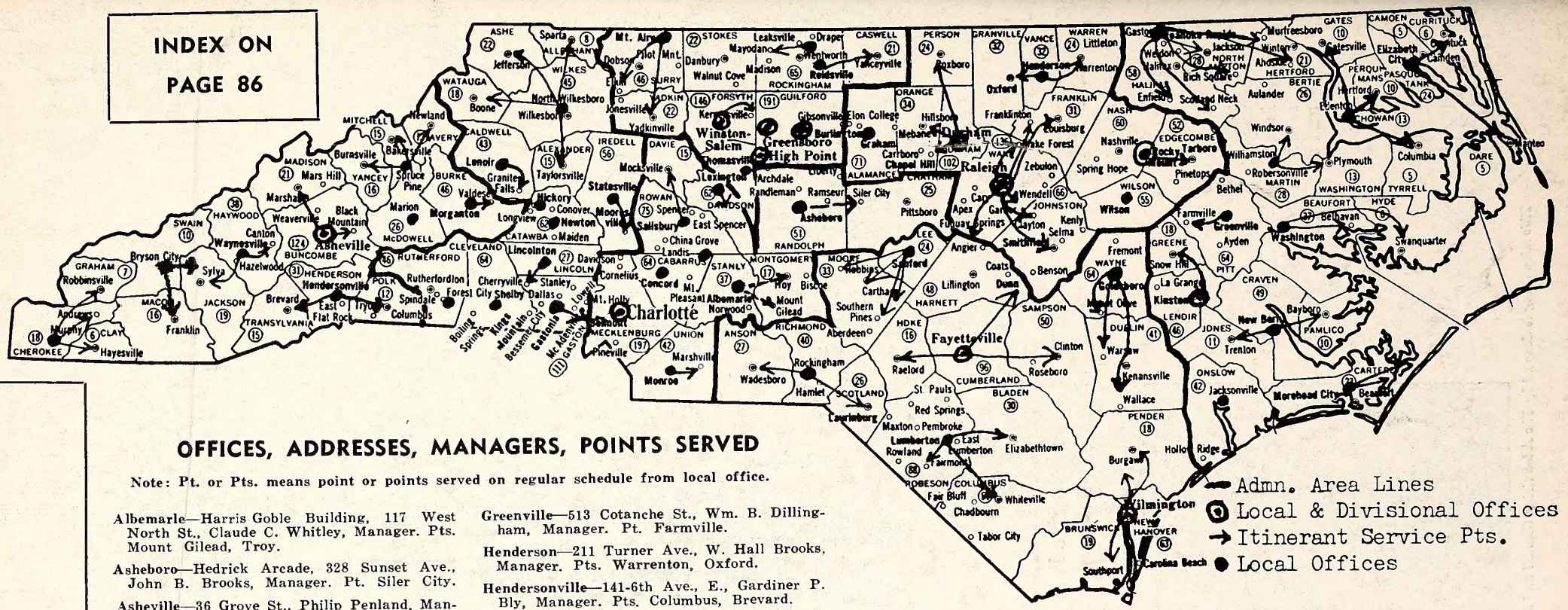

OFFICES, ADDRESSES, MANAGERS, POINTS SERVED

Note: Pt. or Pts. means point or points served on regular schedule from local office.

Albemarle—Harris Goble Building, 117 West North St., Claude C. Whitley, Manager. Pts. Mount Gilead, Troy.

Asheboro—Hedrick Arcade, 328 Sunset Ave., John B. Brooks, Manager. Pt. Siler City.

Asheville—36 Grove St., Philip Penland, Manager. Divisional Office, 36 Grove St. Pts. Marshall.

Bryson City—Hyatt Building, Everett Street, Simon P. Davis, Manager. Pts. Franklin, Cherokee.

Burlington—336 W. Front St., Grover Teeter, Manager.

Charlotte—112 W. First St., George H. Everett, Jr., Manager. Divisional Office, 118 W. First St. Pt. Cornelius.

Concord—66 S. Church St., Lewis B. Morton, Manager.

Durham—516 N. Mangum St., Louis Berini, Manager, Division Office, 518 N. Mangum St. Pts. Chapel Hill, Hillsboro, Roxboro.

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Forest City—104 Yarboro St., John W. Ervin, Manager. Pts. Rutherfordton.

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Hendersonville—141-6th Ave., E., Gardiner P. Bly, Manager. Pts. Columbus, Brevard.

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Lumberton—Wishart Bldg., 307 E. Third St., Carl D. Brothers, Manager. Pts. Whiteville, Elizabethtown, Fairmont

Marion—Hawkins Bldg., 13 West Henderson St., David S. Gray, Jr., Manager.

Monroe—Ray Shute Bldg., 128 S. Main St., Floyd Harrill, Manager.

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Morganton—107 S. King St., Ned W. LaFevers, Manager, Pt. Valdese.

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Murphy—Garrett Bldg., Willow St., Jack A. Wilson, Manager. Pts. Andrews, Hayesville, Robbinsville

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Newton—208 N. College Ave., Cephas A. Cloninger, Manager.

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Reidsville—213 Settle St., Claude R. Sealey, Manager. Pt. Yanceyville.

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Rocky Mount—234 Hill St., Graham K. Cottingham, Manager, Divisional Office, 238 Hill St. Pt. Tarboro.

Salisbury—121-123 N. Church St., J. S. J. Horton, Manager. Pts. Mocksville, Cooleemee.

Sanford—219 S. Steele St., L. Garland Scott, Manager. Pts. Carthage, Robbins, Southern Pines. Pinehurst.

Shelby—Royster Building, 210 S. Washington St., Buell A. Bailey, Manager. Pts. Kings Mountain.

Spray—Stadium Drive, Wade W. Lemons, Manager. Pt. Mayodan.

Spruce Pine—New Ellis Bldg., 110 Oak St., Davis M. Nichols, Manager. Pts. Burnsville, Newland.

Statesville—240 W. Broad St., Wade H. Wilson, Manager. Pt. Mooresville.

Thomasville—Hill Building, 7 East Main St., John L. Taylor, Manager.

Washington—136 W. Second St., Dwight M. Leonard, Manager. Pts. Belhaven, Swan Quarter.

Waynesville—110 Montgomery St., Miss DeBrayda Fisher, Manager. Pt. Sylvia.

Williamston—101 N. Haughton St., J. Kelly Gay, Manager. Pts. Windsor, Plymouth.

Wilmington—717 Market St., William H. Powell, Manager. Divisional Office Employment Security Bldg., 717 Market St., Pts. Burgaw, Southport.

Wilson—Farris Bldg., 303 E. Nash St., Mrs. Jeannette M. Grainger, Manager.

Winston-Salem—124 N. Main St., John H. Wilson, Jr., Manager. Divisional Office, 118 N. Main St. Pt. Kernersville.

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THE ESC QUARTERLY

VOLUME 20, NO. 3-4

SUMMER-FALL, 1962

FOOD PROCESSING, A "NORTH CAROLINA NATURAL"

N. C. EMPLOYMENT SECURITY COMMISSION

Cover Legend On Page Two

Food Processing

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KENDALL

CHAIRMAN'S COMMENTS

HENRY E. KENDALL
Chairman
N. C. Employment
Security Commission

"North Carolina has always engaged in some form of food processing, limited in the early days to home operations and home needs. The bountiful supply of foods which nature and man's ingenuiety have produced have been dried, salted, smoked and preserved and canned from the time of the early settlers. In recent years people of this State have increased commercial food processing for home and the markets."

So editorialized the 1955, Winter-Spring edition of the E. S. C. QUARTERLY. the first issue of our magazine which featured North Carolina's food processing industry, adding that food processing "is a division of industry in which the surface has little more than been scratched." How little we envisioned the subsequent growth that would almost double the number of food processing workers in North Carolina and practically triple their payroll.

During the period 1951-61, the number of food processing industries covered by the State's Employment Security Law increased from 571 to 880. Number of insured employees ten years ago was 19,337. In 1961 this figure has increased to over 32,964 workers. Insured payrolls in 1951 amounted to $48,662,330. Ten years later, insured workers were earning $119,753,964.

All food processing plants in the state today probably exceed 1200 companies.

All important is the creation of new employment. We have attempted to update our publication in terms of job increases and influence on economy, and have asked industry to speak for itself through articles submitted by company representatives. The State's desire to develop the food processing industry, and indeed its awareness of food processing potential, is reflected in the efforts of N. C. State College's Food Science Department (page 19), and the Food Industries Division of the State Conservation and Development Department (page 13). Food processing is certainly a "North Carolina Natural," an industry, which despite its rapid forward strides, still looks to the future for unparalleled developments.

The future also will test the effectiveness of the Manpower Development and Training Act (opposite page). Enacted in March, this new program will complement the Area Redevelopment Act and bring federal funds to North Carolina to retrain idle workers and teach them new skills. The Area Redevelopment Act has already graduated retraining classes (page 6), and when the QUARTERLY went to press ten MDTA courses for our State had received federal approval. By teaching new skills, both the MDTA and the ARA hope to alleviate hard core or long term unemployment across the country, and in our State the Employment Security Commission plays a significant role in the administration of these two acts (page 5 and 3).

How many job classifications are there in North Carolina? After several years' effort, staff members of the ESC occupational services complete an important supplement to a national "job dictionary," (page 56).

The many faceted operations of the Commission are featured in this issue. Coupled with the story of a growing segment of Tar Heel industry, we hope the material will prove to be an enlightening issue.

The E. S. C. Quarterly

(Formerly The U.C.C. Quarterly)

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A special edition devoted to food processing in North Carolina, an industry first researched by this magazine in 1955.

Issued at Raleigh, N. C., by the

EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

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COVER LEGEND

North Carolina's dairies cantribute immeasurably to the progress of food pracessing in the State. The caver shat was taken on the farm of Bower Walters of West Jefferson, expert dairyman in western North Carolina. To improve his herd, Walters breeds his cows artificially thraugh the American Breeders Service.

N. C. To Begin Training Unemployed Under New Federal Program

JOHN FLEMMING

State Community Employment Program Supervisor

The Manpower Development and Training Act of 1962 (P. L. 87-415) was signed into law on March 15, 1962. Passage of the Act indicates that the Congress is very much aware of the problems affecting our human resources and the need for the development and utilization of these crucial resources.

A number of economic factors were considered as a basis for the development of the Manpower Act:

(1) Even in periods of high unemployment, many jobs remain unfilled because of shortages of qualified workers.

(2) There is a critical need for more and better trained workers in many vital job classifications.

(3) Skills of many workers have been out-dated by automation or other technological developments, foreign competition, relocation of industry, shifts in market demands and other economic changes.

(4) There will be an unusually rapid growth in the work force in the next ten years.

(5) There will be an unusually large number of young people entering the work force in the next ten years.

The law consists of three Titles. Titles II and III relate to the training of workers and will expire in three years. Title I, which makes the Secretary of Labor responsible for an annual manpower report, is permanent legislation. Under Title I, the President of the United States is directed to transmit to the Congress, within 60 days after the beginning of each regular session, a report pertaining to manpower requirements, resources, utilization and training. In order to assist the President in making this report, the Congress has directed that the Secretary of Labor shall make reports and recommendations to the President pertaining to the subject matter of the President's Manpower Report. This will necessitate, on a regular basis, an inventory and evaluation of manpower requirements, resources, utilization and training on a national, state and area basis.

Title II of the Act is divided into two parts and deals with the training and retraining programs. Part A assigns specific responsibilities to the Secretary of Labor and Part B specifies the responsibilities of the Secretary of Health, Education and Welfare.

Duties Of ESC

By direction of the Secretary of Labor, the Employment Security Agency will conduct labor market surveys, and other types of research programs in order to determine the need for training. Upon the establishment and verification of a training need, the Employment Security Agency cooperates with the State Vocational Education Agency in the development of a suitable training program. The Employment Security Agency is responsible for recruiting, testing, counseling, selecting and referring trainees to approved training programs. It is also responsible for job development placement and follow-up of trainees who have completed a training course.

Vocational Education

As specified in Part B of Title II and by direction of the Secretary of Health, Education and Welfare, the State Vocational Education Agencies are responsible for the development of training programs that will fit the needs that have been determined to exist. The organization of the training courses include development of pertinent course content, obtaining competent instructors and securing adequate space and equipment. Length of courses will be reasonable and consistent with the requirements of the occupation for which the training is developed. The Vocational Education Agency is responsible for continuous supervision of the training programs to insure the quality and adequacy of the training. As a part of their responsibility, the training agency must certify to the attendance and performance of trainees and report immediately to the Employment Security Agency when a trainee does not maintain satisfactory attendance or progress.

Title III of the Act provides for the Secretary of Labor to report to Congress on the experience with training programs and to evaluate their effectiveness. These reports will deal with the number of persons who were trained, their characteristics and occupations in which training was undertaken. Analysis will be made of those who dropped out of training as well as those who completed the training. Evaluation as to the success of the program will be based, not on the number of training programs developed or the number of trainees enrolled in training, but on the success of placement of trainees on training related jobs.

There are several factors that must be determined before training can be undertaken. The most important of these factors could be considered as basic principles of the Act. These are: (1) it has been determined that a need for training exists and can be substantiated; (2) there is a reasonable expectation that trainees can be placed in the occupation for which he is to be trained; and (3) workers to be trained cannot reasonably be expected to get appropriate full time employment without such training. Another important factor that must be considered in the development of needed training programs is the availability of a supply of trainable applicants. To be selected for training a person must be in one of the following categories:

1. **Unemployed,**
2. **Working substantially less than full time,**
3. **Will be working less than full time or will be unemployed because their skills have become, or are becoming, obsolete,**
4. **Members of farm families with less than $1200 annual net income,**
5. **Sixteen years old but not yet 22, and in need of occupational training and further schooling.**

Certain priorities have been established for selection of applicants for referral to a training course. First priority for training will be extended to the unemployed. This is particularly important in the cases of workers who have been unemployed for long periods of time. As stated in the Act itself, the term "unemployed" will include members of farm families with less than $1200 annual net income. Priority will also be given to persons to be trained for skills needed; first, in the labor market area

(Continued)

in which they reside, and second; in the state in which they reside. Priorities for selection for training should also be given whenever possible to workers who have experienced difficulty in obtaining employment due to age. In many cases, a worker who is 40 years old or older and unemployed is the type of person who has the most difficulty in obtaining employment. Also, these workers are usually the ones who have the greatest need for training or retraining.

Training Allowances

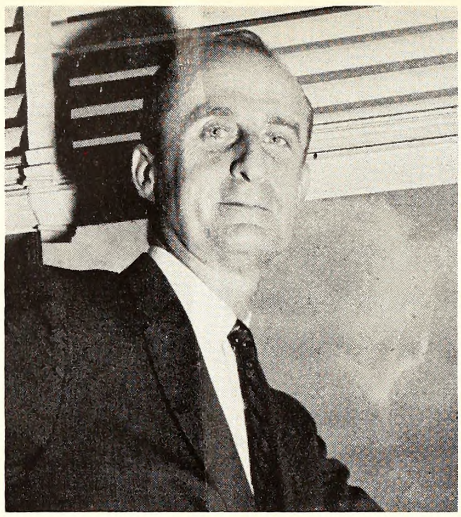
Many workers who are enrolled in training programs under the Manpower Act will be eligible to receive allowances while in training. Persons who may not be eligible for training allowances may still obtain the training without cost to them. The maximum time for which training allowances will be paid is 52 weeks during the three-year span of the Act. There are several types of allowances available for trainees under the Act. A trainee may qualify for any one of the various types of allowances, depending on how his individual situation fits into eligibility requirements.

Generally, the allowances and eligibility requirements for each are as follows:

Regular Training Allowance: To be eligible for a regular training allowance a trainee must be selected and referred to MDTA training, be unemployed, have at least three years experience in gainful employment and qualify as the head of a family or household. The amount of the regular training allowance is computed by averaging unemployment insurance payments paid by the state for weeks of total unemployment during the most recent calendar quarter for which data is available. In North Carolina, the regular training allowance during the fourth quarter of 1962 is $23. This amount is based on the second quarter of 1962. Since this amount is based on average UI payments for a calendar quarter it may change in succeeding quarters.

Youth Training Allowance: Some funds are available for paying training allowances to young people who are over 19 and under 22 years of age and who do not qualify for a regular training allowance. Nationwide youth training allowance is $20 per week. This will not change unless the regular training allowance should drop below $20 per week. In this case the youth training allowance would drop down to the lower amount. Even though this decrease is possible, it is not expected to occur.

Increased Training Allowance: A trainee who is eligible for a regular training allowance and can establish an unemployment insurance claim with a weekly benefit amount in excess of the regular training allowance may receive a increased training allowance equal to the amount of his unemployment insurance weekly benefit amount.



FLEMMING

John Flemming, former manager of the ESC local office in Shelby, has been assigned to coordinate and help administer local activities under the two Federal programs, the Area Redevelopment Act and the Manpower Development and Training Act.

Reduced Training Allowance: A trainee who works at any time during his training will have his training allowance reduced by one-fortieth or 2.5 per cent for each hour he works.

Transportation and Subsistence Allowance: A trainee may receive a transportation and subsistence allowance when he attends a course in a training facility that is not located within commuting distance of his regular place of residence. The maximum subsistence allowance will be $35 per week at a rate not to exceed $5 per day. The transportation will normally be paid on the basis of most economical public transportation. In the absence of public transportation, the transportation allowance will be paid at the rate of 10¢ per mile.

The Federal Government will bear the total cost of training, subsistence and transportation allowances through June 30, 1964. Thereafter, each state which continues to participate in the program must match Federal funds on a 50-50 basis. In no case will funds from employers' unemployment insurance reserve accounts be used to pay any portion of training or allowances under the Act. This holds true even in those cases when a trainee receives an increased training allowance based on the amount of his unemployment insurance benefits. Federal funds were apportioned on the basis of each state's proportion of the total labor force, total unemployed, insured unemployed and average weekly unemployment payment. North Carolina received $1,536,000 to finance the MDTA program during the 1962-63 fiscal year. Ten percent of this total is being held in reserve and will be available to the State upon acceptable justification of need. The two major allocations of funds are $480,000 to the Department of Vocational Education for training and $829,320 to the Employment Security Commission for the payment of training allowances, subsistence and transportation payments. The remainder of the funds will be used for overall administration and skill surveys.

The initial conference to explain purposes and provisions of the Act was held in Baltimore, Maryland on May 8 and 9, 1962. Representatives of seven states received initial instructions and procedures in order to initiate the program in their respective states. The states were instructed to complete organizational plans as quickly as possible in order that each state could have several training programs actually operational by July 1, 1962. In order to meet this target date it was decided to utilize data available as a result of a skill survey conducted by the Employment Security Commission in 1961. The local offices located in six metropolitan areas were selected to initiate the first MDTA programs in North Carloina. These were Asheville, Charlotte, Durham, Greensboro, High Point and Winston-Salem. The results of the skill survey were available in each of these offices and each office also had an Occupational Analyst on the staff that would be available to devote the time required in the development of training programs.

A two-day training program for staff members of the six offices involved and interested persons from the State Administrative Office of the Employment Security Commission was held in Raleigh on May 22-23. Also attending this session was representatives of the Department of Vocational Education and the Governor's office. Procedures for implementing the intent of the Manpower Act were discussed and the representatives of the six offices were instructed to return to their respective offices and prepare training proposals for those occupations that showed the most urgent need.

This was accomplished and the six offices submitted training proposals for stenographer, sheet metal worker, chemist assistant and machine operator. These proposals were submitted prior to July 1 but Congress had not appropriated the money for the program so it was not possible to meet the July 1 target date. The appropriation was finally passed by Congress on August 14.

—See MDTA, Page 12—

IDENTIFYING STATE'S TRAINING NEEDS UNDER MDTA

By WILLIAM S. NEVILLE

Labor Market Analyst, Bureau of Employment Security Research

Briefly stated, the Manpower Development and Training Act of 1962 provides vocational training in shortage occupations to unemployed persons. Taken at face value, this simplified statement of the purpose of the Act would seem not too difficult a task for a governmental agency to translate into an action program—at least, insofar as determining what shortage occupations exist.

The deeper one investigates the provisions of the Act, however, the more one becomes aware that the job of identifying shortage occupations is far from a simple undertaking. Training proposals cannot be initiated solely on opinions as to which occupations are in short supply, or anticipated shortages in the future. Surveys of employers in the area are required to obtain indications of present and anticipated needs in specific occupations. Training proposals in this program must be based on findings established by the surveys.

Before a training program may be initiated for any given area, evidence (substantiated by facts and figures) must be obtained to show that:

(1) a demand exists in the area, or is anticipated, for workers in the occupations for which training is proposed.

(2) there are not enough qualified, trained workers available in in the area to meet the demand.

(3) there is in the area a supply of unemployed persons who can qualify for and are available for the proposed training, who can reasonably be expected to obtain employment as a result of the training.

In North Carolina, the Bureau of Employment Security Research of the Employment Security Commission has the responsibility of determining shortage occupations, or training needs, under MDTA. To meet this responsibility over the entire state is a sizeable undertaking. This assignment, for the most part, is the task of a small group of labor market analysts in the Bureau of Employment Security Research. Here, in chronological order, are the steps they take to identify training needs.

Request Initiates Survey

The initial step to establish a training proposal for any area of the State is a request from the area's local Employment Security Office manager and his local Coordinating Committee. This committee consists of the Industrial Education Center representative, State and/or Federal representatives of apprenticeship and training, and other persons involved in training and placement activities in the area. We learn from the manager's request the types of unemployed persons who might benefit from training, as well as hard-to-fill occupations for which they might be trained. Areas showing the greatest needs are given priority in the scheduling of training needs studies.

In response to the request, a labor market analyst from the Employment Security Commission's research department visits the local office and, with the assistance of office staff, makes a detailed compilation of past and present orders for workers which the office has on file. The number of orders received for each occupation is recorded. Also, the number of orders in each occupation which could not be filled due to the lack of qualified applicants available for referral is noted.

NEVILLE

The information is analyzed and studied in conjunction with other available data, including the statewide *Survey of Technical and Skilled Manpower* which was conducted during 1961. After giving proper consideration and weight to a number of factors involved, the analyst decides which occupations represent the area's most significant demand.

Except for new occupations brought about by new types of industries starting in an area, occupations which have been critical in the past are the ones which will remain critical in the future. However, MDTA procedures provide for an area occupational survey of employers in order to remove as much conjecture as possible from the determination of present and future needs.

Questionnaire Mailed

To accomplish this objective, a questionnaire has been designed by the Bureau of Employment Security Research staff for use in conducting a mail-type survey. Items to be answered about each occupation include current employment, anticipated employment one year hence, current vacancies, anticipated replacement needs, and the number of workers being trained on-the-job. The group of occupations previously selected as probably the most critical are prelisted on the questionnaire prior to mailing. Space is provided for write-ins by the employer of additional occupations in his firm for which he feels training is needed. The selection of firms to receive questionnaires is made from a listing of all employers in the area which are covered by the North Carolina Employment Security Law supplemented, when needed, from other sources. Firms selected are ordinarily the larger and most representative employers of workers in the preselected, critical occupations. The firms selected usually employ more than 50 per cent of the total covered employment in the area.

The questionnaire is mailed to the selected firms accompanied by an explanation of the purpose and importance of the survey. A second questionnaire is mailed if necessary.

When it appears that all probable responses have been returned, information from the questionnaires is edited, tabulated, and summarized. A "Summary Report" is prepared which documents and discusses the scope of the survey, participation rate of sample firms, anticipated expansion in the various industry group surveyed, and training needs indicated in each occupation surveyed. The net training need for each occupation is inflated by the employment ratio of sampled firms compared to all firms employing the occupation. The summary report lists, in order of inflated numerical rank, the occupations shown by the survey to be the most critically short.

Survey Findings Presented

A meeting is arranged with the local ESC office manager and his

(Continued)

Coordinating Committee. The labor market analyst presents the survey findings. Prior to this meeting, copies of the "Summary Report" are furnished to all members of the committee for their review and use in arriving at a decision as to whether training proposals should be developed. Considerations other than numerical shortages must be taken into account. For example, some occupations which show a substantial demand may not lend themselves to MDTA type training due to the eligibility requirement of trainees, heavy cost of equipment, etc. In other instances, the background and caliber of the unemployed persons who would comprise the supply of potential trainees might preclude certain types of training.

If the Coordinating Committee decides that training in one or more occupations would be appropriate and wishes training proposals developed, the preparation of training proposals becomes a "joint venture," involving both the Employment Security Commission and the Industrial Education Centers, and requiring considerable coordination between the two agencies.

After a proposal is approved, the labor market analyst has the responsibility of various reports required on trainees and training programs, both during the course of the training and after the training is completed. Concurrent and final evaluations of the MDTA Program will be made from these reports.

It is evident that the labor market analyst can, by no means, make a determination of training needs without the cooperation of many individuals in many capacities.

Nevertheless, he is the focal point, and the coordinator, in getting the job done and coming up with valid results.

FAYETTEVILLE GRADUATES FIRST AREA REDEVELOPMENT ACT CLASS

First students to study under the Federal Area Redevelopment Act in North Carolina graduated August 31 from the Fayetteville Industrial Education Center.

Since April of this year students in the stenography course, one busic and another advanced, had studied typing, shorthand, business English, spelling and filing at the local IEC. A total of 30 women, most of them housewifes returning to the labor force, began the courses. There were 15 in each class.

Twenty-two women finished the courses. They attended classes five days a week for 20 weeks for a total of 600 hours. For 16 of the 20 weeks, students were eligible to apply for and receive a subsistence payment of $22 weekly, the average unemployment benefit payment in the state.

This was the first class to graduate under the federal training program in North Carolina. In January, 1962, federal approval was given Cumberland County to inagurate the first Tar Heel training course under the Area Redevelopment Act, and from the initial request of six training courses, the Department of Commerce approved four and allocated $35,600 to the N. C. Department of Public Instruction for conducting the courses and an additional $29,500 for the payment of subsistence benefits to students by the State Employment Security Commission.

On September 4, subsequent refresher and beginner stenographic classes began at the Fayetteville IEC with 30 enrolees selected from 53 fully qualified applicants. There were at least 100 original applicants, ages ranging from 17 through 43 years old. Some students were married, some single. Handicapped persons were also included, and most of the applicants were unemployed when enrolled although there were a few who were considered underemployed. Twenty-two were high school graduates, two had college backgrounds, and the remainder held high school equivalency certificates.

In this course, as well as the first, certain precedents are being set. For example, a trainee with previous shorthand experience only in the Pittman system has been accepted although previous Gregg system training is the usual prerequisite. Six of the trainees have had no previous experience in the labor market. They were either housewives entering the labor market for the first time, or were 1962 high school graduates. Work experience for the remainder range from such jobs as policewoman and kindergarten teacher through office, sales or mill work.

By early winter, 10 Overall Economic Development Plans from North Carolina had been approved by the U. S. Commerce Department, the latest being from Northampton and Clay Counties.

Most recent ARA graduates in North Carolina have been from courses in Spruce Pine where, on December 14, nine nurses' aides and 11 stenographers completed training.

ARA participation initially begins in an area through an Employment Security Commission labor market survey which determines the percentage of unemployment. Generally, an area which has experienced at least six percent of unemployment from its total labor force for a length of time is classified as an area of "substantial" or "substantial and persistent unemployment," thus qualifying that area for federal assistance under the ARA.

To receive federal benefits, a local redevelopment group must prepare an OEDP which, after state okay, goes to Washington to the Commerce Secretary's office for final approval.

Instruction of enrolees under the federal program is the responsibility of the State Department of Public Instruction. It is the responsibility of the Employment Security Commission to obtain jobs for graduates, or assist them in their job applications. The ARA is one of two federal programs designed to combat unemployment and underemployment.

First classes to graduate from the Fayetteville Industriol Educotion Center under the Areo Redevelopment Act, and the first to graduate over the entire Stote, receive their completion certificates. John Stondridge of Foyetteville presents o certificote of completion to Miss Sallyann Denike, o typing and shorthand student, as her classmotes look on. Next to Stondridge is S. Thod Cherry, locol ESC office monager. On the extreme right is John Flemming of the ESC centrol office in Roleigh who is the Stote Community Employment Progrom Supervisor.

EMPLOYER CONTRIBUTION RATES SHOW GENERAL INCREASE IN '63

THEODORE L. WHITLEY

Plans, Methods, and Procedures Analyst

North Carolina employers generally found their contribution rates for 1963 somewhat higher than their 1962 rates. The following general review of North Carolina's experience rating plan explains why these increases occurred.

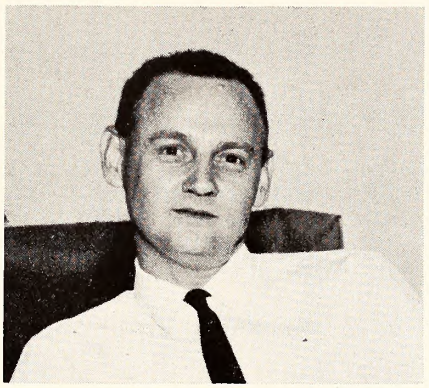
The Employment Security Law establishes an insurance program comparable to any other insurance plan. The worker (beneficiary) is insured against total loss of income during periods of temporary, involuntary unemployment. To finance this insurance protection the employer pays contributions (taxes) or premiums which are set aside as a trust fund (reserves) pending the worker's claim as a policyholder when and if he becomes unemployed. The Employment Security Commission acts as the impartial administrator of this insurance plan, following a definite and clear-cut formula set forth in the law.

The basic factor in the insurance plan is the amount of the worker's wages. The premiums (contributions) are computed as a percentage of taxable wages, and the insurance benefits are awarded in accordance with wage credits earned by the individual worker. An insurance risk can be created only by the payment of wages, and benefits, in turn, are awarded on the basis of wages paid. Thus, in its simplest terms, the employer provides the worker with an insurance policy to protect him to some extent when and if the worker becomes unemployed.

Why Experience Rating

The experience rating plan established by the North Carolina law provides an actuarially tested formula designed to: (1) assure the collection of sufficient premiums to cover the insurance rights earned by workers, and (2) vary the premium rates among employers according to the insurance risks attributable to individual employers. The contributions are accumulated as a reserve commensurate with the insurance risks, and annual contribution rates are assigned to individual employers according to their individual experience under the insurance program.

The experience rating plan requires a separate account for each employer. Contributions paid by the employer are credited to the account, and benefits paid to former employees are charged against the account. (Trust fund interest is pro-rated as a credit to credit-balance accounts, and the employer may request relief from certain benefit charges.)



WHITLEY

In addition, the account shows taxable wages up to $3,000 per worker in a calendar year paid by the employer during the past three fiscal years. These experience rating accounts are maintained solely for experience rating purposes. The data reflected in these accounts on August 1 of each year control the contribution rates for the next calendar year.

The first step in setting contribution rates for employers is the determination of a *fund ratio*. The unemployment insurance fund balance is divided by the total taxable payrolls of all employers for the past fiscal year. The resulting *fund ratio* relates the accumulated insurance risk (taxable wages) to the accumulated reserves (fund balance) to cover that risk and measures the solvency position of the insurance program as a whole. The fund ratio is applied to the *Fund Ratio Table* to select the applicable *rate schedule*. (See Table A) The fund ratio for 1963 is 7.21%, derived from total taxable payrolls of $2,562,352,741.90 divided into a fund balance of $184,763,765.39. The table requires that 1963 contribution rates come from *Schedule D* of the *Experience Rating Formula*. (See Table B) The contribution rates for 1962 came from *Schedule E* based on a *fund ratio* of 7.57% derived from taxable wages of $2,371,559,594.60 and a fund balance of $179,699,015.08.

Even though the insurance reserves in the trust fund increased over $5 million during the fiscal year ending July 31, 1962, the reserve increase did not match the corresponding risk represented by the $190 million growth in payrolls. Because of the higher risk created by the increased payrolls, the higher contribution rates of Schedule D will apply in 1963.

Not Uniform Increase

However, the change in schedules does not mean a uniform increase in contribution rates for all employers. The *fund ratio* determines the overall program status by considering all workers and all employers as a group. Contribution rates for individual employers are based on the employer's individual experience as reflected by his experience rating account.

A new employer is assigned the standard rate of 2.7% and generally retains this standard rate for three years. Thereafter he may qualify for a rate lower than 2.7% if the credits to his account exceed the benefits charged to his account and his credit reserve ratio is high enough.

The individual employer's *credit reserve ratio* is found by dividing his taxable payroll for the past three years into his account balance. The *credit reserve* ratio is applied to the *Experience Rating Formula*, and the employer's contribution rate is taken from the applicable *schedule*. Even though *Schedule D* provides a moderate increase in contribution rates over *Schedule E* on an overall basis,

(Continued)

FUND RATIO TABLE

When the fund ratio is:		Applicable
As much as	But less than	Schedule
----	4.5%	A
4.5%	5.5%	B
5.5%	6.5%	C
6.5%	7.5%	D
7.5%	8.5%	E
8.5%	9.5%	F
9.5%	10.5%	G
10.5% and in excess thereof		H

TABLE A—PERCENTAGES WHICH DETERMINE SCHEDULES OF EMPLOYER CONTRIBUTIONS.

the rates of individual employers may go up or down within the limits established by *Schedule D*, depending on the condition of the employer's own experience rating account.

In 1957 the General Assembly further individualized the experience rating plan by providing a separate *Rate Schedule for Overdrawn Accounts.* (See Table C)

Overdrawn Accounts

An "overdrawn" account occurs when the cumulative charges to an account exceed the cumulative credits, resulting in a negative account balance. In such cases, dividing the employer's three-year payroll into the negative balance gives a *debit ratio.* The *Rate Schedule for Overdrawn Accounts* provides a contribution rate above the standard 2.7% corresponding to the individual *debit ratio.*

This brief explanation of the experience rating plan covers the essential elements of the program in their simplest form. The actual computation of an employer's contribution rate may be complicated by factors and variables such as business transfers, benefit non-charges, and others. In an effort to inform each employer as fully as possible, the Employment Security Commission issues to the employer each year a *Cummulative Experience Rating Statement and Computation of Rate.* This statement is the actual sheet on which the employers account was kept during the fiscal year and shows all the items used to compute his rate. The form even shows the mathematical operations involved and a copy of the *Experience Rating Formula.*

The statement, which is mailed in November, allows the employer to verify every item used and assure himself of the accuracy of the rate computation.

By adhering faithfully to proven insurance principles over the years North Carolina has built and maintained an actuarially sound and solvent unemployment insurance program. The experience rating plan has apportioned the insurance costs according to the individual risks created by individual employers.

EXPERIENCE RATING FORMULA

When the Credit Reserve Ratio Is:		Schedules							
As Much As	But Less Than	A	B	C	D	E	F	G	H
——	1.4%	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
1.4%	1.6%	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.5
1.6%	1.8%	2.7	2.7	2.7	2.7	2.7	2.7	2.5	2.3
1.8%	2.0%	2.7	2.7	2.7	2.7	2.7	2.5	2.3	2.1
2.0%	2.2%	2.7	2.7	2.7	2.7	2.5	2.3	2.1	1.9
2.2%	2.4%	2.7	2.7	2.7	2.5	2.3	2.1	1.9	1.7
2.4%	2.6%	2.7	2.7	2.5	2.3	2.1	1.9	1.7	1.5
2.6%	2.8%	2.7	2.5	2.3	2.1	1.9	1.7	1.5	1.3
2.8%	3.0%	2.5	2.3	2.1	1.9	1.7	1.5	1.3	1.1
3.0%	3.2%	2.3	2.1	1.9	1.7	1.5	1.3	1.1	0.9
3.2%	3.4%	2.1	1.9	1.7	1.5	1.3	1.1	0.9	0.7
3.4%	3.6%	1.9	1.7	1.5	1.3	1.1	0.9	0.7	0.5
3.6%	3.8%	1.7	1.5	1.3	1.1	0.9	0.7	0.5	0.4
3.8%	4.0%	1.5	1.3	1.1	0.9	0.7	0.5	0.4	0.3
4.0%	4.2%	1.3	1.1	0.9	0.7	0.5	0.4	0.3	0.2
4.2%	4.4%	1.1	0.9	0.7	0.5	0.4	0.3	0.2	0.1
4.4% and in excess thereof		0.9	0.7	0.5	0.4	0.3	0.2	0.1	0.1

TABLE B—TAX SCHEDULES ARE SHOWN UNDER COLUMNS A THROUGH H

RATE SCHEDULE FOR OVERDRAWN ACCOUNTS

When the Debit Ratio is:		Contribution
As Much As	But Less Than	Rate Assigned:
——	0.2%	2.8%
0.2%	0.4%	2.9%
0.4%	0.6%	3.0%
0.6%	0.8%	3.1%
0.8%	1.0%	3.2%
1.0%	1.2%	3.3%
1.2%	1.4%	3.4%
1.4%	1.6%	3.5%
1.6%	1.8%	3.6%
1.8% and over		3.7%

TABLE C—SCHEDULES WHICH APPLY TO EMPLOYERS WITH OVERDRAWN ACCOUNTS

"Slim Short" with WNCT-TV, Greenville, interviews ESC employee, Warren Wittmer.

ESC BEGINS FOURTH YEAR ON CHANNEL 9

PHIL POLLACK

ESC Area Supervisor

The program of the Employment Security Commission which is seen each Monday at 12:15 p.m. over Television Station WNCT in Greenville had its beginning on November 10, 1958, when the public information officer of the Employment Security Commission and myself appeared in an interview with staff announcer, Bill Norwood. This initial appearance inaugurated a weekly ten-minute program which has continued each Monday since, and is now almost four years old.

The weekly program has featured farm interviewers, local office managers, veterans employment representatives and others of both local and state offices. Fifty-two informative programs were presented to the viewing audience during the initial year of its operation. Following the presentation of the first 27 features, we decided to change the program to the extent that pictures would be taken of actual agricultural activities. After the pictures were made by the staff photographer and the farm editor of the *News and Observer*, the films were shown on a number of successive Monday programs with farm interviewers narrating the action in the film. Since this was a novel idea, it was felt that the new programs would be even more informative and impressive. In addition to showing films of agricultural activities in the eastern section of North Carolina, pictures were made of processing plants and various industrial establishments and were shown to depict the overall conditions in the area. The program was used for channeling information to prospective workers in labor surveys, and the work of the

—See TV, page 44—

DISQUALIFICATIONS BAR PAYMENT OF UNEMPLOYMENT BENEFITS

WARREN G. WITTMER

Chief, ESC Plans, Methods and Procedures

"Disqualifications" of the N. C. Employment Security Law can be broken down into five general categories. They are: (1) Exclusions from coverage; (2) Monetary ineligibility; (3) Postponement of benefits; (4) Non-monetary ineligibility; and (5) Penalties.

Generally, people who work for a firm which employs four or more people in as many as 20 weeks in a calendar year are insured under the state's Employment Security program. They work in what is commonly referred to as "covered employment." The vast majority of North Carolina wage earners work in covered employment, but there are, however, some people who are excluded from this insurance coverage.

First, people who work for firms employing fewer than four workers are not covered unless the firms voluntarily elect coverage and their elections are approved by the Employment Security Commission. Employees of North Carolina State and local governments, including those who administer the unemployment insurance program, are not covered. Persons who work in agricultural enterprises, domestics in private homes, and those who are employed by non-profit religious and charitable organizations, are not insured against unemployment. There are a few other exclusions, but those mentioned are the primary ones, and are sufficient examples to illustrate the point that there are some who, of necessity and for excellent reasons, must be "disqualified" from coverage under the law.

Determining Eligibility

Now, let's consider a person who has worked in insured (covered) employment who becomes unemployed and reports to one of the local ESC offices to claim unemployment insurance. In considering a person's eligibility, we must remember that unemployment insurance is exactly what the name implies: a form of insurance against the economic hazards of relatively short-term unemployment intended for those who have a genuine past and present attachment to the work force of the state, who are unemployed through no fault of their own, and who are ready, willing, and anxious to get work.

As a measurement of his past attachment to the work force, the individual must have worked in covered employment for a sufficient period of time to have been paid wages of at least $550 during his so-called "base period," The base period is the first four of the last six completed calendar quarters immediately preceding a request for benefits. For example, if an unemployed person files his initial claim for unemployment insurance on October 8, 1962, his base period consists of the second, third, and fourth quarters of 1961, and the first quarter of 1962 (April 1, 1961 through March 31, 1962). In addition, the wages of at least $550 cannot be confined to only one quarter of the base period—he must have wages in at least two quarters.

The unemployed person who cannot meet this test in disqualified from receiving unemployment insurance.

There is one other wage qualification, but it applies to the person who exhausted or used all of his benefits on a previous claim. In addition to having the qualifying wages in his base period, this claimant must have been paid wages in covered employment since the start of his prior claim of at least ten times his new

WITTMER

weekly unemployment insurance benefit amount.

Depending upon the total amount of wages the individual was paid during his base period, he is entitled to a weekly benefit amount of anywhere from $12 to $35. Our next step is to determine why the person is unemployed, or to put it another way, why he is no longer working at his last job. If he lost his last job because of lack of work (i.e., the employer had no more work for him) he cannot be disqualified for that reason. Unfortunately, though, people become unemployed for reasons other than lack of work, or to phrase it a little differently, they are not unemployed through no fault of their own. To pay these people benefits without any question would tend to defeat the purpose of unemployment insurance. Therefore, the law provides for certain disqualifications.

Voluntarily Quits

If it is determined that an unemployed person voluntarily quit his last employment without good cause attributable to his employer, he is disqualified from receiving benefits for a period from four to 12 weeks (depending upon the circumstances under which he quit), and his maximum benefits are reduced by the number of weeks he is disqualified multiplied by his weekly benefit amount. It does not matter that the worker might have had an excellent personal reason for quitting. Example: the married woman who quits to accompany her husband to a new locality. If the employer was not at fault in causing the employee to leave the job a disqualification must be imposed upon the claimant. The only exception is the person who quits because of personal illness or disability. This is involuntary.

A similar disqualification of five to 12 weeks is imposed if it is found that the unemployed person was discharged from his last employment for misconduct in connection with his work. If a jobless person refuses without good cause to accept a referral to suitable work or refuses suitable work, he is disqualified for a period of from four to 12 weeks and his benefits reduced accordingly.

If a person is out of work because of a labor dispute where he is or was last employed, he is disqualified from receiving benefits for the duration of the labor dispute. A person who is seeking or receiving unemployment insurance benefits under the law of another state or the federal government, or who is receiving wages in lieu of notice or some other form of severance pay, is disqualified for as long as the disqualifying condition exists. And a person is disqualified if it is found that he is customarily self-employed and can reasonably return to self-employment.

Even if the reason for unemployment does not disqualify the claimant, he must still meet certain eligibility conditions. Unemployment insurance cannot be paid to the jobless person who is sick or disabled, or who is not willing and ready to work, or who is not trying to find a job. These eligibility conditions are wrapped up in the phrase, "he must be able to work and available for work."

(Continued)

Unemployed During Vacation

As a condition of availability the individual must have no unreasonable restrictions which would prevent his taking and accepting suitable work. For example, he must be able to arrange for his transportation to and from a job, and he must be willing to accept work for which he is qualified at the prevailing rate of pay in the community where he lives. A person who is unemployed because of a vacation, whether or not he is paid for the vacation period, is not considered available for work. This vacation provision is applicable, however, for not more than two weeks for any one individual during any one year.

A woman who becomes unemployed because she is pregnant is not eligible for unemployment insurance from the time she becomes unemployed for that reason until the child is born. A woman who becomes unemployed for any reason and is or becomes an expectant mother is not eligible for benefits during the three month immediately preceding the expected birth of her child and during the three months following its actual birth, provided the child lives.

We have reviewed exclusions from coverage, base period wage qualifications, disqualifications because of reason for unemployment, and the eligibility conditions of "able to work and available for work."

An employer's exclusions from coverage is determined from the examination of his account books and records which reflect his business operations. If the employer comes within the defined exclusions written into the law by the state legislature, his workers are not insured. Base period wage qualifications are a matter of record. Covered employers report wages paid to each individual worker each calendar quarter, and the records are on file in the Employment Security Commission's central office in Raleigh. When a claim is filed, those records are checked to determine if the qualifications have been met.

If an ESC interviewer taking a claim finds a possible disqualifying or ineligibility condition with respect to a claimant's unemployment, he refers the matter to a Claims Deputy who conducts a hearing and makes a decision. At the hearing, testimony is taken and recorded under oath. All parties concerned in the case are given the opportunity to offer evidence and are afforded appeal rights. Approximately three out of every 100 claims filed go before a Claims Deputy for a hearing.

We have one last form of disqualification or "penalty" which is provided by law. If it is determined that a person has lied or committed fraud in an effort to obtain or increase benefits to which he is not entitled, he is prosecuted in the courts of the state. If convicted of willful misrepresentation, the claimant is not only liable to fine or imprisonment but also has all unemployment insurance benefit rights cancelled for one year. Another form of cancellation penalty is imposed on a person who commits larceny or embezzlement in connection with his employment. All of the wage records for that person, up to and including the quarter in which the larceny or embezzlement occurred, are cancelled and are not available to him for unemployment insurance purposes.

As used in this article the word "disqualification" refers to anything provided by law which will prevent or bar a person from receiving unemployment insurance.

Professional Club Directs State's Businesswomen

MARGARETTE CARPENTER

Steno III, ES Division

The National Federation of Business and Professional Women's Clubs, Inc., is the first and largest organigation in the world created to serve, and dedicated to the economic interest of business and professional women. It approaches the specific problems of women, recognizing their inevitable relationship to all social, political, and economic progress. It creates public opinion for employed women. Its sphere of influence is continually expanding, and has long been a major force in developing the leadership of American women.

Throughout North Carolina there are 76 Clubs affiliated with the National Federation. Our Federation had its birth in Charlotte where a small group of business and professional women from Asheville, Charlotte, Greensboro, Raleigh, Salisbury, and Winston-Salem met on June 24, 1919, to organize the North Carolina Federation of Business and Professional Women's Clubs preparatory to the formation of a National Federation. Its purpose was to give expression to the objects and program of the Federation; to offer business and professional women an opportunity to help create better conditions for women by the study of social, economic and political problems; to give its members an opportunity to participate in community life and enrich their social contacts through study and recreation; to interpret and develop the Federation program; to build its program around individual community needs and interests within national, regional, state and local responsibilities.

CARPENTER
President,
Raleigh Professional Women

Directs Club Work

As President of the Raleigh Club, it is my duty to preside at all meetings of the Club, Executive Committee, and Board of Directors. I am the connecting link between the local club and the State and National Federation. Upon election as President I automatically became a member of the Board of Directors of the State Federation. In this capacity, I am obligated to attend all State meetings and to carry back to my Club plans adopted at such meetings. I represent the Club in the community and attend all civic meetings and other functions when invited to do so. Since the Raleigh Club is a member of the Raleigh Civic Council, which is composed of the Presidents of all Civic Clubs of Raleigh, I attend this Council meeting once each month. (In June Miss Carpenter was elected Vice President of this Council . . . *Editor)*

Another important group of duties as BPW President, is to encourage Club members' participation and attendance at all meetings; to see that all committees function continuously throughout the year, and to direct the Club work with the aid of other officers and committee chairmen. The State Federation takes great pride in the erection of our State Headquarters Building at Chapel Hill—the first such headquarters building erected by any of the many other BPW Clubs. We are also proud of the many projects in which we have participated, and in such a way have joined hands with other women in countries around the globe

—See WOMEN'S CLUB, page 65—

Veterans Employment Representative Charles Bradshaw (left) of the New Bern local office of the Employment Security Commission discusses veterans' employment with SSGT J. T. Steger, USMC, who is in charge of the Career Counseling Center at the Marine Corps Air Station, Cherry Point. At all major military bases about the State, VER's are actively helping discharged servicemen find civilian employment. Most offices have veterans employment representatives.

Veterans Have Employment Service Through Federal-State Cooperation

R. C. GODWIN

State Veterans Employment Representative

There is probably no single need so important to an individual and his family as a suitable job. The opportunity to earn a living is a prized privilege of every American, a privilege worth fighting for. This statement is true for all Americans, but possibly has a bigger meaning for the more than 23,000,000 veterans that help to make up our country's population. Instead of making plans for a profession or a career in employment during the most formative years of their lives, they were serving in the armed forces, learning skills they would probably never use except in the armed service. However, many were fortunate because they gained knowledge that improved their possibilities of even more gainful employment. Nevertheless, all personnel had to make the transition from the armed services back to civilian life.

A large number of this group will never regain their original place, and may never work at their highest potential skills, while on the other hand a good number of this group will become leaders in industry as well as leaders of our country.

Congress Establishes EES

The "Veterans Employment Service" of the U. S. Department of Labor assures that every veteran receives the opportunity to work at his highest skill. Established by Congress, the VES was originally organized after WW I for job placement of WW I veterans. In 1930, offices in 30 metropolitan cities were opened exclusively to work in veterans employment. In 1933, the federal-state program of public employment service was established with the Veterans Employment Service being designated the agency to serve veterans through all state employment service offices. A State Veterans Employment Representative was appointed in each state to carry out the objectives of this system. In 1944, Public Law 346, known as the GI Bill for WW II veterans, provided for the establishment and operation of an effective job counseling and employment placement service for all veterans. In 1952, Public Law 550 was passed to extend the same benefits to all Korean veterans.

The ES is authorized by law to supervise services rendered to veterans through local state employment offices. The agency has the responsibility to carry out the policies of the Secretary of Labor, and the policies, procedures and objectives of the U.S. Employment Service pertaining to veterans.

The national policy set forth by the Labor Secretary requires all local state employment offices to give preference and priority to qualified veterans on job referrals, with top priority going to disabled veterans. The employer hires who he wants, but it is the responsibility of the local employment office to first refer available and qualified veterans for employment interviews.

Federally Appointed

State Veteran Employment Representatives are federally appointed. The Veterans Employment Service is provided for veterans of all wars and has no termination date. It is one of the few major benefits not administered by the Veterans Administration.

In order to insure preferential treatment to veterans, a local Veterans Employment Representative (VER) is located in each employment office. He protects veterans preference, provides counseling, administers aptitude tests and arranges interviews for veterans with potential employers.

The importance of employment benefits for veterans will become greater in the years ahead. The veteran population is growing older, and it is becoming harder to place the older veteran in gainful employment. Many WW I veterans are pretty much out of the employment picture now since their average age is above 68 years. WW II veterans average 42 years in age and they are beginning to experience employment difficulties common to the so-called older workers. Evidently, individuals begin to face age barriers in seeking employment after they have become 35 years old. Average age of the Korean veteran is now 32 years, placing them in a more favorable employment position, one which will be favorable for the next three to five years.

The rapid pace of technological development, plus the widening impact of automation, will intensify the demand for workers with higher skills, education and training. Veterans in the labor market will have to meet these demands if they are to compete successfully for the favorable jobs in the years ahead.

The North Carolina Picture

In North Carolina our labor force

(Continued)

includes a little over 1,000,000 men. Veterans are over 46 percent of this group. This is why in each of the 54 local Employment Security Commission offices we have a trained specialist who deals with all employment problems of veterans in his respective area.

Special services are rendered veterans in each public employment office with a local VER and others trained to (1) find job opportunities; (2) give priority in selection and referral of qualified disabled veterans and non-disabled veterans in filling employer job orders; (3) give employment counseling; (4) give information on veteran rights and benefits; (5) acquaint veterans with services available from other agencies and make referrals accordingly; and (6) give preferential treatment to veterans.

The excellent services rendered to the able and disabled veteran in North Carolina is exemplified by the large number who have applied to us in the last five years for work, and by the large percentage of those who have been placed on jobs. The total number of veterans who came to us seeking employment during the past five years was 152,272. From this number we placed 119,658. Disabled veterans fared even better, and from 12,254 new applications we were able to place 10,688.

As a group veterans have done well where employment is concerned. On the other hand there are still isolated areas where persistent unemployment exists, and many veterans are not working at their highest skills. In these changing times large numbers of veterans will have to change their occupations due to the ever growing complexity of industrial machines. Many will be required to obtain new skills as the technology becomes more involved. Retirees are being separated from the armed services. Many veterans become handicapped by accident or disease and will have to readjust themselves to new jobs.

Work Force Crowing

During this decade there will be a significant increase in the number of individuals participating in the state's work force due to the increase in population. Children born in the immediate post WW II period will be entering the work force. And with the advances being made in scientific and technical know-how, we can readily see a challenge to veterans employment. Therefore, it seems that the veteran, in order to maintain or even compete in the labor force, will need to (1) improve his competence, (2) develop a sense of purpose and pride in his job, and (3) take advantage of all training opportunities.

What are some of the services provided by local public employment offices?

To the employer—complete placement service, finding the right person for the right job, recruitment of all types, test-selecting applicants where needed, and a manpower aid to help lower turnover.

To the job-seeker—placement service devoted to finding the most suitable job, employment counseling, including aptitude testing and providing current information on job opportunities.

To the community—a contributor to economic health by shortening periods of unemployment, by matching the jobless worker with the idle machine or empty desk. The local employment office provides dependable labor market information to help community groups plan for the future and attract new industry. It places at the disposal of the community skills, techniques and manpower.

Jack Of All Trades

The local VER participates in these services rendered the community. He is an employer relations man, a liaison man between organizations and other agencies. He is a friend to the veteran and his family—to the veteran's widow and orphaned children. The VER is available to VA hospitals, armed forces separation centers, handicapped worker committees, older worker committees, united appeal drives and child welfare programs. A dedicated person trained by the Veterans Employment Service and the Employment Security Commission, the VER takes pride in his responsibility to the community. He assists all veteran organizations in promoting projects affecting veterans, especially if it ultimately leads to the prized privilege of job satisfaction.

MDTA

—Continued from page 4—

On August 27 a Federal Inter-Agency Review Committee met in Raleigh to consider the training proposals that had been submitted. On this committee were representatives of the Bureau of Employment Security, Health, Education and Welfare and the office of Automatic Manpower and Training. Six proposals were reviewed and five of the six were found "approvable" by the committee. The one proposal that was not "approvable" required some revision in the format of the course. The five "approvable" proposals were forwarded to regional and national offices for final approval and are now in process of receiving this approval.

It is evident that the provisions of the Manpower Act will be very helpful in providing training for those occupations that usually experience shortages of skilled workers. There are no geographic limitations under the Act, and, therefore, any area may benefit from its coverage. In those areas that qualify for benefits under the Area Redevelopment Act, the training provisions may be supplemented by the Manpower Act.

The participating agencies in North Carolina are ready to start any program that receives final approval. Experience gained in the development of the first proposals will be invaluable in complying with requirements on proposals which will be submitted in the future.

R. C. Godwin (left) State Veterans Employment Representative discusses veterans' services with Asst. State VER, Marvin Burton. Godwin has directed the Federal-State Veterans Employment Service since his appointment by the Secretary of Labor in 1939. His contribution to employment of veterans has been unusual and outstanding throughout the years. A long-time member of the American Legion and WW I veteran, Godwin and other Legionnaires were active in promoting the GI Bill of Rights after WW II, and Act "which helped the Country through an economic boom instead of the predicted bust." Burton was appointed from the Charlotte ESC.

Food Processing, A N.C. Natural

By W. R. SMITH

Food Industries Specialist, Commerce & Industry Division, Department of Conservation & Development

North Carolina can readily become the "foodbasket" of the East. Centrally located on the Eastern seaboard, the State has easy access to vast metropolitan markets and equally easy access to sources of supply. Abundant natural resources, modern transportation systems, a progressive-minded citizenry, and a reputation for good government are assets upon which the State can and is building a sound food processing industry.

Governor Terry Sanford has publicly acknowledged on many occasions that one of this State's most apparent potentials lies in the province of food processing. He has given his words substance by pledging state government's resources to bring this potential to reality. The accord of other state leaders with this decision is evidenced by recent administrative developments within state agencies. A Department of Food Science has been created at N. C. State College, which brings under one administrative head all college functions of research, academic instruction, and extension activities pertaining to food processing. The Department of Conservation and Devolopment has established a Food Industries Section within the Division of Commerce and Industry, which will devote its full efforts to the development of the food processing industry. The work of these two agencies is highly coordinated with the N. C. Department of Agriculture, with production specialists at N. C. State College, and with county agricultural agents.

In appraising North Carolina's potential in food processing, we should not overlook the economic contribution to the State of existing food processing plants. As shown by the appended table, approximately 36,000 persons are currently employed by the food industry in the state, with an annual payroll in excess of $147,000,000. It is quite significant that this amount of payroll enabled the industry to add $347,000,000 of value to the farm products processed.

Natural Advantages

North Carolina has soils especially suited to production of crops and livestock. Current production includes 25 vegetables and 7 fruits suitable for processing. Soils vary from the mountains to the coast, and include sizable acreages of any desired type. Recently drained tracts along the coast contain organic or mucky type soils. The vast fertile coastal plains abound in rich loams or sandy loams. The Piedmont area consists principally of clay loams and silty loams, while the mountain valleys contain much rich bottom land. All of these soils are capable of producing high yields of superior quality produce.

The climate of North Carolina is a definite asset. Practically all of the state lies in the warm temperature belt which is so well suited to production of food crops. The growing season extends from 150 days in the higher reaches of the mountains to 280 days along the extreme coastal region. Many areas can easily sustain two crops per year. A fairly evenly distributed average rainfall of 50 inches permits the production of crops without supplemental water in most years. However, the plentiful supply of water makes irrigation an important insurance factor to cost-conscious farmers.

The temperate climate of the State offers many advantages for the production of livestock and poultry. Year-round grazing and minimal housing requirements cut the expense of producing poultry, eggs, beef, and pork, in comparison to many areas.

North Carolina, with the longest seacoast of any state fronting on the Atlantic Ocean, has extensive fishing grounds, both in the ocean and in the inland bays and sounds. These areas abound in fish and shellfish, and for years have provided a livelihood for many fishermen.

Approximately halfway between New York and Miami, North Carolina is within easy transportation reach of half the existing population of the United States. Perhaps even more important, North Carolina is near the center of one of the fastest growing markets in the country, where per capita income has risen rapidly in recent years. This central location makes possible an extended processing season for earlier maturing crops to the south of us and later maturing crops to the north of us, in addition to local production with a minimum of transportation being required.

Man-Made Advantages

North Carolina is a recognized leader among the states in the construction of highways. Interstate, primary, and secondary hard-surfaced roads interlace the State to connect it with all areas of the country. The State has the best system of farm-to-market roads in the nation. Along with the roads, more motor carriers operate into, out of, and through North Carolina than any other state in the nation.

Two deep-water sea ports connect North Carolina with the world. Twenty feeder ports along the Inland Waterway, rivers and sounds, with at least 12 feet of water, handle a great tonnage on smaller vessels.

Rail and air services in North Carolina are excellent with six major operations in both fields.

The many modes of transportation available make it possible for food processors, or other manufacturers, to exercise freedom of selectivity in tran-

(Continued)

sporting both product and personnel. Transportation facilities coupled with central location make the state and its industry close to sources of supply for raw materials, as well as markets. Perhaps just as important, industry is close to the manufacturers of industrial equipment, thus being able to avoid costly down-time while awaiting replacement parts.

Paramount among North Carolina's man-made advantages is its government, for the State has built a government noted for its stability, fiscal soundness, and service to its people. North Carolina alone, of the Southeastern states, enjoys a AAA-1 rating for its bonds. The State has next to the lowest number of state and local government employees per 1000 population of all the states; yet it is noted for its excellence and leadership in highways, law enforcement, education, agriculture, research, technology, and as a matter of fact, North Carolina ranks among the top 10 states in quality of services to its people.

Existing Food Industry

Outstanding among existing food industries in North Carolina is the dairy industry. Just a few years ago the State had a deficit milk production. Now we have an industry producing slightly more than our population consumes. With this growth has come the construction of some of the most modern dairy plants to be found anywhere. The efficiency of these plants is far better than the national average, in contrast to just a few years ago when the cost for bottling milk and packaging other dairy products in North Carolina far exceeded the national average. A striking innovation in this field has been the development of equipment to effectively remove objectionable odors in milk by North Carolina State College. The modern dairy industry in North Carolina today employs 6000 people, adds an annual payroll of $33,000,000 to our economy, and adds $96,000,000 to the farm value of products processed.

Research and experimentation are synonomous with food processing, such as the development of new products from sweet potatoes (above) and the development of the country hom business. There are over 200 companies in the state now processing country hams.

North Carolinians have for decades cured their own hams for home consumption. Country-cured hams have come to be known as delicacies, especially by urban dwellers only one generation removed from the farm. Within the past 5 to 10 years, a country ham industry has been developed in North Carolina to meet the demands for this food. No one operator is extremely large, but over 200 firms are now engaged in this business, and the State now leads the nation in the sale of country hams. The hams they sell are even better than the ones "Grandpa" used to cure in his smokehouse, for the ham curers are producing their products under scientifically controlled conditions as outlined by N. C. State College in a way that insures uniform quality at all times.

The pickle industry in North Carolina is the second largest in the nation. This industry has been with us for some time, but it has been a progressive and growing industry. Built around contract agreements with farmer producers, it can serve as a guide to further food processing intastries for the state based on sound business agreements between processor and producer with an assurance of just and fair returns to labor and capital for both parties.

Poultry processing in North Carolina has grown by leaps and bounds, and now we rank 4th in the nation in production of ready-to-cook-poultry.

North Carolina now ranks second in the production of sweet potatoes. The state has several plants that are canning sweet potatoes and has pioneered in the development of sweet potato flakes, dehydrated sweet potato product aimed at the modern market demand for convenience foods. It is reconstituted easily and quickly into souffles and pies of exceptional quality.

Processing Potential

North Carolina producers of food crops have in the past relied heavily—almost exclusively—on the fresh market for their sales. Poultry production used to be a family project, but recent years have shown a tremendous surge to supply the demand for ready-to-cook birds. Most of our seafood catch has been sold fresh with a minimum of processing or preparation. Much of our livestock production has been for home consumption. There will always be some demand for these fresh products, but the seasonal gluts, characteristic of fresh produce, combined with slackening demand, make production for these markets a high-risk venture unpalatable to sound businessmen, and farmers are fast becoming just that. Also, modern housewives are no longer disposed to spend long hours in a hot kitchen cooking fresh foods. They want items that are quick and easy to fix—the "heat and serve" type item. As a matter of fact, 62¢ of each food dollar they spend goes for processing, packaging, transportation, and advertising of products, while only 38¢ goes for the actual product itself. North Carolina produces a lot of food—it gets its share of the 38¢ market. There is no reason that we cannot also get our portion of 62¢ market as well. Our portion of that market should be tremendous.

Apple production in North Carolina runs to 3,250,000 bushels per year or

—See NATURAL, page 26—

STATUS OF FOOD INDUSTRY IN NORTH CAROLINA

Food Industry	Number of Plants	Gross Sales (Million)	Farm Income (Million)	Value Added by Processing (Million)	Number Employees (Thousand)	Payroll (Million)
Poultry[1]	65	205	170	35.0	4.7	17.0
Dairy[1]	98	160	64	96.0	6.0	33.0
Fruits & Vegetables[1]	40	35	10	25.0	1.8	10.0
Meat[1]	150	193	122	71.0	7.0	36.0
Country ham	200	25	15	10.0	1.0	4.0
Seafood[1]	190	17	8	9.0	2.0	.6
Flour & Meal[2]	81			5.5	.8	2.5
Bakeries[2]	94			41.0	5.6	20.0
Confectionaries[2]	12			1.2	.3	.6
Beverages[2]	147			35.0	4.3	16.0
Other Food Prep.[2]	158			18.5	2.5	7.3
				347.2	36.0	147.0

[1] Estimated Jan. 1962 from data supplied by U.S.D.A., N.C.D.A., N. C. State College, N.C.D.C.D.

[2] U.S.D. Commerce—1958

FOOD PROCESSING INDUSTRIES IN NORTH CAROLINA

Taken From Employer's Quarterly Reports, 2nd Quarter, 1962

The listing of food processing industries on the following four pages is taken from the Quarterly Wage and Contribution cards in the machine records section of the Employment Security Commission's central office in Raleigh. Punch cards are prepared from employers' Quarterly Wage and Contribution Reports which are submitted each quarter.

The industries you see listed by counties are all those covered by the State's Employment Security Law, classified as food processors. These companies employ four or more workers for 20 calendar weeks, so they are liable for contributions under the State's employment security program. They comprise an estimated 90 percent of the total food processing group in North Carolina.

To conserve space, all bottling companies were purposefully deleted because the major soft drink bottlers have scores of plants placed in communities from one end of the State to the other. You will also note that several companies have out-of-State locations, meaning that quarterly reports are submitted by the employers' headquarters outside North Carolina.

According to the Standard Industrial Classification manual, food processors are classified in these groups: Meat Products; Dairy Products; Canning and Preserving Fruits, Vegetables and Sea Foods; Grain Mill Products; Bakery Products; Sugar; Confectionery and Related Products; Beverage and Miscellaneous.

ALAMANCE COUNTY

Acme Feed Co., Inc.	Burlington
Mebane Flour and Feed	Mebane
Burlington Ice Co.	Burlington
Barnhardts Salad Co.	Burlington
Star Food Prod., Inc.	Burlington
Burlington Poultry	Burlington
Holt Milling, Inc.	Burlington
Hornadays Abattoir	Snow Camp
Melville Dairy, Inc.	Burlington

ALEXANDER COUNTY

Hiddenite Milling Co.	Hiddenite
FCX Poultry Product	Hiddenite
Watson Milling Co.	Taylorsville

ANSON COUNTY

Allen Milling Co.	Wadesboro
Home Milling Service	Wadesboro

ASHE COUNTY

National Dairy Prod. Corp.	Jefferson

BEAUFORT COUNTY

Blue Channel Corp.	Belhaven
Maola Ice Cream Co.	Washington
Washington Packing	Washington
L. H. Johnson Son, Inc.	Pantego
Washington Beverage	Washington
J. H. Moss Industries	Washington
Burbage Clayton	Belhaven
Colonial Ice Co.	Washington
Williamson Oyster	Aurora
J. D. Guthrie	Washington
Belhaven Feed Mills	Belhaven
Toppings Country Sausage	Pantego
Pamlico Warehouse	Washington

BERTIE COUNTY

Clyde E. Moore and Co.	Windsor
Anna Myers Pure Food	Garfield, N. J.
Whitehead Milling Co.	Windsor
Moore Ice Co.	Windsor
Perry Wynns Fish Co.	Colerain
Standard Brands, Inc.	Aulander

BLADEN COUNTY

Sachs Nut, Inc.	Dublin
Producers Hatch Egg	Bladenboro

BRUNSWICK COUNTY

Brunswick Navigation	Southport

BUNCOMBE COUNTY

American Service Co.	Asheville
Biltmore Dairy Farm	Biltmore
Colonial Baking Co.	Asheville
Town House Doughnut	Asheville
Evans Poultry House	Asheville
Gold Dot Foods, Inc.	Asheville
Simpson Brothers	Asheville
Craggy Milling Co.	Asheville
Asheville Packing Co.	Asheville
Appalachian Milling	Asheville
Earl Chesterfield	Asheville
Crown Jewel Corp.	Asheville
Carter Feed Co.	Weaverville
Asheville By Product	Greensboro
Gerber Products Co.	Asheville
Coble Dairy Product	Asheville
Arcadia Dairy Farms	Arden

BURKE COUNTY

National Dairy Prod.	Asheville
Waldensian Bakeries	Valdese
Breeden Poultry & Egg	Morganton
Mountain Ice, Inc.	Morganton
Burke Farmers Coop.	Morganton

CABARRUS COUNTY

Cabarrus Creamery Co.	Concord
Carolina Cake Co., Inc.	Concord
Priebe & Son, Inc.	Chicago, Ill.
Cookes Packing Plant	Concord
S & D Coffee, Inc.	Concord
Golden Crust Bakerys	Kannapolis
McCoy Feed & Seed Co.	Midland
Mt. Pleasant Milling	Mt. Pleasant
Concord Bottling Works	Concord
The Bake Shop	Kannapolis

CALDWELL COUNTY

Granite Bottling Works	Grantie Falls
Dixie Do Nut Co.	Lenoir

CARTERET COUNTY

Beaufort Ice Co.	Beaufort
Carteret Ice & Coal	Morehead City
T. B. Smith	Davis
T. A. Taylor	Sea Level
Carteret Quick Freeze	Beaufort
Seashore Packing Co.	Beaufort
Luke T. Dudley	Morehead City
Willis Brothers, Inc.	Williston
Wallace Fisheries Co.	Morehead City
Beaufort Fisheries	Beaufort
The Fish Meal Co., Inc.	Beaufort
R. W. Taylor and Co.	Morehead City
Standard Products	White Stone, Va.

CASWELL COUNTY

Matkins Meat Process	Gibsonville

CATAWBA COUNTY

Hickory Packing Co.	Hickory
Catawba Coop. Dairy	Hickory
Try One Sandwich Co.	Hickory
Hickory Feed Mills	Hickory
Johnson Milling Co.	Hickory
Triangle Sausage Co.	Hickory
Saint Albans Grain	Waltham, Mass.
Bost Bakery, Inc.	Hickory
Midstate Mills, Inc.	Newton
Newton Oil Fertilizer	Newton

CHATHAM COUNTY

Siler City Mills	Siler City
Pittsboro Poultry Co.	Pittsboro
Webster Poultry Co.	Pittsboro
Siler City Ice	Siler City
Goldston Feed Mills	Goldston
Poultry Processors	Siler City
C. C. Routh Mills, Inc.	Bonlee
Webster Products, Inc.	Pittsboro
Siler City Poultry Exchange	Siler City

CHEROKEE COUNTY

Mountaineer Bakery	Murphy
Truman L. McNabb	Murphy
Andrews Feed & Egg	Andrews

CHOWAN COUNTY

Waff Bros. Fishery	Edenton
Morris & Hinton	Hobbsville
Barrow Bottling	Edenton
North Eastern Milling	Edenton
Seabrook Blanching	Edenton
Chowan Processing	Tyner
Home Feed Fertilizer	Edenton
Jimbos Jumbos, Inc.	Edenton
M. J. Tynch	Edenton

CLAY COUNTY

Hayesville Milling	Hayesville
A. J. Armstrong Co.	Hayesville
Coble Dairy Product	Brasstown

CLEVELAND COUNTY

Bost Bakery, Inc.	Shelby
Eagle Roller Mill	Shelby
Norris Packing Co.	Shelby
Waldensian Bakeries	Shelby
Joy Cream Doughnut	Shelby
B. P. Jenkins & Son	Shelby
Quality Sandwich Co.	Kings Mountain
Ray McKee	Shelby
Cleveland Sandwich	Boiling Springs
A. M. Boggs & Sons	Fallston
Superior Feed Mills	Grover
Carnation Co., Inc.	Shelby
Pearls Poultry, Inc.	Shelby
Tasty Cream Bakery	Boiling Springs
Shaw Poultry Co., Inc.	Shelby

Kings Mt. Cotton Oil	Kings Mountain
Carolina Dairy, Inc.	Shelby

COLUMBUS COUNTY

Hills Ice Cream Co.	Whiteville
Thompson Abattoir	Whiteville
Dixie Grain & Feed	Chadbourn
Gurganus Farm Supply	Whiteville
Tabor City Foods, Inc.	Tabor City
Payne Sausage, Inc.	Chadbourn

CRAVEN COUNTY

Atlantic Co., Inc.	New Bern
The Orringer Pickle	New Bern
Maola Milk & Ice Cream	New Bern
New Bern Provision	New Bern
Luptons Cannery	New Bern
Debbies Sandwich Co.	New Bern
Craven Rendering Co.	New Bern
Do Nut House	Havelock
Craven Deviled Crab	New Bern
Tastee Sandwich Co.	New Bern

CUMBERLAND COUNTY

Fayetteville Ice & Fuel Co.	Fayetteville
Cole Milling Co.	Fayetteville
American Bakeries Co.	Fayetteville
G. L. Draughon Abattoir	Fayetteville
Blue Ribbon Food Co.	Fayetteville
Central Farm Center	Fayetteville
Colonial Ice Co.	Fayetteville
McNeill Poultry Co.	Fayetteville
Dandy Sandwich Shop	Fayetteville
Larrys Old Fashion	Fayetteville
Cape Fear Feed Prodt.	Fayetteville
Best Sandwich & Bakery	Charlotte
Sanford Milling Co.	Fayetteville
Sycamore Dairy	Fayetteville
Coble Dairy Product	Fayetteville

DARE COUNTY

Nags Head Ice & Coal	Nags Head

DAVIDSON COUNTY

Hinkle Milling Co.	Thomasville
Fritts Packing Co.	Lexington
Piedmont Candy Co.	Lexington
Guilford Dairy Assn.	Thomasville
Mobile Milling Service	Thomasville
Bost Bakery, Inc.	Thomasville
Parker Pie Co., Inc.	Lexington
Standard Brands, Inc.	Lexington
FCX Poultry Product	Lexington
Welcome Milling Co.	Welcome
Davidson Meat Pack	Lexington
Peaces Poultry Co.	Thomasville
Carolina Seafood	Lexington
Coble Dairy Product	Lexington

DAVIE COUNTY

Mocksville Feed Mill	Mocksville
Mocksville Ice	Mocksville
J. P. Green Milling Co.	Mocksville

DUPLIN COUNTY

Wallace Feed Mill	Wallace
Char. F. Cates & Sons	Faison
Wallace Pickle Co.	Wallace
Wallace Ice and Coal	Wallace
B & R Frozen Foods	Wallace
Coastal Plain Mill	Rose Hill
Fussells Abattoir	Wallace
Rose Hill Poultry	Rose Hill
Simmons Grain & Feeds	Albertson
Ramsey Feed Co., Inc.	Rose Hill
R. D. Jones Pkg. Co.	Faison

DURHAM COUNTY

Davis Baking Co.	Durham
Elec. Ice & Fuel Co.	Charlotte
Durham Sandwich Co.	Durham
W. S. Tally Gro. Store	Durham
Royal Sandwich	Durham
Broadway Foods, Inc.	Durham
Coles, Inc.	Durham
Royal Ice Cream Co.	Durham
Long Meadow Farms	Durham
Colonial Ice Co.	Durham
Garrards Country Sausage	Durham
The Bottling Co.	Durham
Raleigh Beverage Co.	Durham
Austin Heaton Co.	Durham
Jones Poultry	Durham
Durham Dairy Product	Durham
Central Carolina Farmers	Durham

EDGECOMBE COUNTY

The Cake Box, Inc.	Rocky Mount
Z. B. Bulluck, Inc.	Rocky Mount
Henderson Mims Grain	Tarboro
Colonial Ice Co.	Rocky Mount
Super Feed & Grain	Tarboro
Meadow Brook Meat Co.	Rocky Mount
B & B Food Co.	Rocky Mount
Planters Cotton Oil	Rocky Mount
Peacock Meat Co., Inc.	Rocky Mount
Meadow Brook Dairy	Rocky Mount

FRANKLIN COUNTY

Youngsville Milling	Youngsville
Franklin Milling Co.	Louisburg
Murphy House	Louisburg

GASTON COUNTY

Jones Bro. Bakery	Winston-Salem
Lewisville Roller	Lewisville
Winston Poultry Co.	Winston-Salem
Royal Cake Co., Inc.	Winston-Salem
T. W. Garner Food Co.	Winston-Salem
Krispy Kreme Donut	Winston-Salem
Lingle Bakery, Inc.	Winston-Salem
Krispy Kreme DoNut	Winston-Salem
Arden Farms Packing	Clemmons
Dobys Bakery, Inc.	Winston-Salem
American Bakeries Co.	Winston-Salem
Made Rite Sandwich	Winston-Salem
Clemmons Milling Co.	Clemmons
Twin City Packing Co.	Winston-Salem
Holly Poultry Co.	Winston-Salem
Farmers Cooperative	Winston-Salem
Deweys Bake Shop	Winston-Salem
Moravian Cookie Shop	Winston-Salem
B & G Pie Co., Inc.	Winston-Salem
Lawson Sandwich Co.	Winston-Salem
Northwest Bev. Co., Inc.	Winston-Salem
H. C. Pie Co., Inc.	Rural Hall
Katzin Brothers, Inc.	Winston-Salem
Biltmore Dairy Farm	Winston-Salem
National Dairy Products	Winston-Salem
Grocers Baking Co.	Gastonia
Gastonia Ice Cream	Gastonia
Leigh Food Prod., Inc.	Gastonia
Alexs Doughnut Co.	Dallas
Stewart & Long	Gastonia
Gaston Sausage	Dallas
Creamline Dairy	Dallas
Colonial Ice Co.	Gastonia
Car. Sou. Processing	Greensboro
Sunrise Dairy, Inc.	Gastonia
City Ice Cream Co.	Gastonia
Cline Land Dairy, Inc.	Cherryville
Montbell Ice Fuel	Belmont

GATES COUNTY

Gates County Ice	Gatesville
Wright Milling Co.	Hobbsville

GREENE COUNTY

Pine State Creamery	Oxford
J & H Milling Co.	Walstonburg
Snow Hill Milling Co.	Snow Hill
Walstonburg Milling	Walstonburg

GUILFORD COUNTY

Jones Brothers Bky.	Greensboro
North State Milling	Greensboro
Clinard Milling Co.	High Point
Sou. Bakeries Co., Inc.	Greensboro
Lindale Dairy Corp.	High Point
Guilford Dairy Coop.	Greensboro
Wafco Mills, Inc.	Greensboro
W. A. Davis Milling Co.	High Point
Neese Sausage Co.	Greensboro
Curtis Packing Co.	Greensboro
Dicks Ice Cream Co.	Greensboro
The Borden Co., Inc.	High Point
Ward Baking Company	New York, N. Y.
Stevens Bros Poultry	Greensboro
Morgan & Sons Poultry	Greensboro
American Bakeries Co.	High Point
Interstate Bakeries	Kansas City, Mo.
Elite Bakery	High Point
Central Ice & Coal	High Point
Griffin Baking Co.	Greensboro
Krispy Kreme Doughnut	Greensboro
Piedmont Pie Co., Inc.	Greensboro
Mother Murphys Lab	Greensboro
American Bakeries Co.	Atlanta, Ga.
A. J. Schlosser & Son	Greensboro
Bamby Bakers, Inc.	Greensboro
Security Mills	Climax
Todd Quaker Donut Co.	Atlanta, Ga.
Modern Poultry, Inc.	High Point
Julian Milling Co.	Julian
Colonial Ice Co., Inc.	Greensboro
Skeen Packing Co.	High Point
Made Rite Sandwich	Greensboro
Glenwood Pastry Shop	Greensboro
Florida Bakery	Greensboro
Gladiola Biscuit Co.	Greensboro
Canada Dry	Greensboro
Lassiter Packing Co.	High Point
Greensboro Meat Spl.	Greensboro
Pet Milk Co.	Greensboro
Fleetwood Coffee Co.	Chattanooga, Tenn.
Frito Lay, Inc.	Dallas, Texas
Car By Products Co.	Greensboro
C. H. Processing Corp.	Greensboro
Guilford Meat Process	Greensboro
Swift & Co., Inc.	Greensboro
West End Ice Cream	Greensboro
Chandlers Wholesale	Greensboro

HALIFAX COUNTY

Gregory Caudle	Halifax
A & B Milling Co.	Enfield
Lindale Dairies, Inc.	Roanke Rapids
Daily Maid Sandwich	Roanoke Rapids
Williams Milling Co.	Enfield
Bradley Milling Co.	Hobgood
Colonial Ice Co.	Roanoke Rapids
Planters Cotton Oil	Scotland Neck
Bunting & Harrell	Scotland Neck

HARNETT COUNTY

Lillington Roller	Lillington
H. P. Cannon & Son	Bridgeville, Del.
Wimberly Feed Mill	Angier
The Wellons Corp.	Dunn
Pine State Creamery	Dunn
Dunn Ice & Fuel Co.	Dunn

HAYWOOD COUNTY

Pet Milk Co.	Waynesville

HENDERSON COUNTY

Thompson Produce Co.	Hendersonville
McFarlan Food Shop	Hendersonville
Community Mill, Inc.	Hendersonville
Kalmia Dairy Coop	Hendersonville

HERTFORD COUNTY

Ahoskie Ice Coal Co.	Ahoskie
Chowan Milling Co.	Como
Revelle Grain Co.	Murfreesboro

HOKE COUNTY

Upchurch Milling	Raeford
Hoke Oil Fertilizer	Raeford

STATE WIDE

Armour & Co.	Chattanooga, Tenn.

STATE WIDE

American Service Co.	Atlanta 1, Ga.

STATE WIDE

Sou. Bakeries Co., Inc.	Atlanta, Ga.

STATE WIDE

Carnation Co., Inc.	Los Angeles, Calif.

STATE WIDE

Standard Brands, Inc.	New York, N. Y.

IREDELL COUNTY

Mooresville Ice Cream	Mooresville
Mooresville Flour	Mooresville
Statesville Flour	Statesville
Cooperative Mills	Statesville
Sou. Bakeries Co., Inc.	Statesville
Statesville Packing Co.	Statesville
Star Milling Co., Inc.	Statesville
Carnation Co., Inc.	Statesville
Statesville Beverage	Statesville
Union Grove Milling	Union Grove
Rowan Coop. Dairy Inc.	Mooresville
City Abattoir	Statesville
Veterans Grease & Tallow	Harmony

JACKSON COUNTY

Walter Bradley Pack	Dillsboro

JOHNSON COUNTY

Worleys Beverage	Selma
Carolina Packers, Inc.	Smithfield
Gurley Milling Co.	Princeton
Gurley Milling Co.	Selma
Holt Farm Center, Inc.	Smithfield
Benson Feed Mills	Benson
H. N. Wilson & Son	Wilsons Mills
Fays Sandwich Co.	Smithfield
Selma Soybean Corp.	Selma
Rains Milling Co.	Princeton
Canaday Feed Co., Inc.	Four Oaks
Benson Ice & Coal Co.	Benson
J. W. Atkinson	Selma
Stevens Sausage Co.	Smithfield
The Pine Level Oil	Pine Level

LEE COUNTY

J. W. Eshelman Sons	Sanford
A. M. Cooke	Sanford
Broadway Roller Mill	Sanford
Grantham Provision	Sanford
Stevens Milling Co.	Broadway
Patterson Packing Co.	Sanford

LENOIR COUNTY

Dainty Maid Bakery	Kinston
Davis Mill	Seven Springs
Hines Ice Cream Co.	Kinston
Harvey C. Hines Co.	Kinston
Lakeside Mill	Kinston
Eason Milling Co.	La Grange
Colonial Ice Co.	Kinston
Hardy Milling Co.	La Grange
Strebs Bakery	Kinston
Davis Milling Co.	Deep Run
Farm Service Co., Inc.	Pink Hill
Leco Feed Mills, Inc.	Kinston
P. L. Nethercutt	Kinston
Carolina Dairies, Inc.	Kinston

LINCOLN COUNTY

Banner Roller Mill	Lincolnton
Lincoln Milling Co.	Lincolnton
Baxter Poultry Co.	Vale

MACON COUNTY

Hudson Poultry Prcn.	Iron Station
Franklin Frozen Food	Franklin
Nantahala Creamery	Franklin

MARTIN COUNTY

Williamston Packing	Williamston
Martin Feed Mills	Williamston
Robersonville Pack	Robersonville
Austin Farms, Inc.	Robersonville
Martindale Foods, Inc.	Williamston

McDOWELL COUNTY

Bost Bakery, Inc.	Marion

MECKLENBURG COUNTY

Interstate Milling	Charlotte
Sou. Bakeries Co., Inc.	Atlanta, Ga.
Atlantic Co., Inc.	Charlotte
Swift & Co., Inc.	Charlotte
Biltmore Dairy Farm	Charlotte
Schoenith, Inc.	Charlotte
Ralston Purina Co.	Charlotte
Speas Co.	Kansas City, Mo.
Lance, Inc.	Charlotte
Car. Cheerwine Botl.	Charlotte
Tenner Bros., Inc.	Charlotte
OBoy Sandwich Co.	Charlotte
J and J Candy Co.	Charlotte
Maryland Baking Co.	Charlotte
American Bakeries Co.	Charlotte
Krispy Kreme Doughnut	Charlotte
Mecklenburg County	Charlotte
Charlotte Abattoir	Charlotte
Stewarts In Fra Red	Charlotte
C & T Refinery, Inc.	Charlotte
Carolina Creme Donut	Charlotte
Griffin Foods, Inc.	Greensboro
Car Foods, Inc.	Charlotte
Foremost Dairies, Inc.	Charlotte
General Mills, Inc.	Minneapolis, Minn.
Swinson Food Produce	Charlotte
Golden Crust Bkys	Charlotte
The Dinner Bell Co.	Charlotte
Jacks Cookie Corp.	Charlotte
Southeastern Poultry	Charlotte
Pet Milk Co.	Charlotte
Queen Pie Co.	Charlotte
Murray Chocolate Co.	Charlotte
Mitchum, Inc.	Charlotte
T & H Distr., Inc.	Charlotte
The Borden Co., Inc.	New York, N. Y.
Russell Corp.	Charlotte
A. H. & S. M. Wilson, Inc.	Huntersville
Stein Hall & Co.	New York, N. Y.
Harvey B. Hunter Dairy	Charlotte
National Dairy Prdt.	Charlotte
B & H Foods, Inc.	Charlotte

MONTGOMERY COUNTY

Montgomery Dairy	Troy

MOORE COUNTY

City Products Corp.	Chicago, Ill.
Rouths Poultry Co.	Robbins
Purvis Poultry Co.	Parkwood
Aberdeen Packing Co.	Aberdeen
N. B. Reynolds	Rohbins
Parkwood Milling Co.	Carthage
Colonial Poultry Co.	Robbins
Parker Meat Co.	Vass
Car Poultry Plant	Pinehurst

NASH COUNTY

S. L. & W. W. Edwards	Spring Hope
Carbisco Flour Feed	Rocky Mount
Scruggs Poultry Farm	Rocky Mount
American Bakeries Co.	Rocky Mount
Ward Baking Co., Inc.	Rocky Mount
Gorham Milling Co.	Rocky Mount
Anne's Donut Shop	Rocky Mount
Tar River Ice Co.	Rocky Mount
Boddie Milling Co.	Nashville
Braswell Milling Co.	Nashville
Rocky Mount Feed Mill	Rocky Mount
Glover Milling Co.	Bailey
Maola Milk & Ice	Rocky Mount
Bailey Feed Mills	Bailey

NEW HANOVER COUNTY

Boyle Ice Co. of Del.	Chicago, Ill.
American Molasses	Wilmington
Electric Bottling Co.	Wilmington
Rose Ice Coal Co.	Wilmington
Table Talk Bakery	Wilmington
Mallards Sandwich Shop	Wilmington
American Bakeries Co.	Wilmington
Wilmington Packing	Wilmington
Foxs Royal Bakery	Wilmington
Tasty Pastry Bakery	Wilmington
Cape Fear Cold Storage	Wilmington
Dandy Sandwich Shop	Wilmington
Wanets Sausage Co.	Wilmington
Carolina Treet, Inc.	Wilmington
Cake Box	Wilmington
Krispy Kreme Donut	Wilmington
Meeks Sandwich Co.	Wilmington
Gorman Rendering Co.	Wilmington
Johnson Sandwich Shop	Wilmington
Echo Farm	Wilmington
National Dairy Prod.	Wilmington

NORTHAMPTON COUNTY

Rich Square Coal Ice Co.	Rich Square
Farm Service Center, Inc.	Rich Square

ONSLOW COUNTY

Jacksonville Ice Co.	Jacksonville
Pecks Bakery	Jacksonville
Carters Packing Co.	Richlands
Catherine Lake Feed	Richlands
Mills & Brown Supply	Richlands

ORANGE COUNTY

Piedmont Packing Co.	Hillsboro
Walker Milling Co.	Hillsboro

PAMLICO COUNTY

Diamond Ice Co., Inc.	Bayboro
Bay Packing Co.	Oriental
Pamlico Packing Co.	Vandemere
Sound Packing Co.	Whortonsville
Caroon Bros. Seafood	Lowland
Henries Brothers	Bayboro

PASQUOTANK COUNTY

W. H. Weatherly Co.	Elizabeth City
McPherson Bottling Co.	Elizabeth City
Elizabeth City Milling	Elizabeth City
The Tasty Treat	Elizabeth City
R. L. Parker Packing	Elizabeth City
Globe Fish Co., Inc.	Elizabeth City

PENDER COUNTY

Rooks Meat Products	Rocky Point
Savage Poultry Co.	Willard
Burgaw Packing Co.	Burgaw

PERSON COUNTY

Person Farms, Inc.	Roxboro
Bushy Fork Milling	Roxboro

PITT COUNTY

Greenville Packing	Greenville
Sou Bakeries	Greenville
Turnage Milling Co.	Farmville
J. C. Pollard Slaughter	Greenville
Colonial Ice Co.	Farmville
Tri County Feed Mill	Bethel
Beatrice Foods Co.	Chicago, Ill.
Abbott Milling Co.	Winterville
Greenville By Prod.	Norfolk, Va.
Pitt Feeds, Inc.	Greenville
Mrs. R. C. Waters	Greenville
Jonco Whsle. Distr.	Greenville

RANDOLPH COUNTY

Randolph Packing Co.	Randleman
Ellis D. Brookbank	Asheboro
Guilford Dairy Coop	Asheboro
Liberty Milling Co.	Liberty
Roy T. Macon	Seagrove
Millikan Meats	Asheboro
Maness Brothers	Asheboro
Super Feeds, Inc.	Asheboro

RICHMOND COUNTY

Buttercup Ice Cream	Hamlet
North State Ice Co.	Ellerbe
Peoples Ice Co.	Hamlet
Pee Dee Bottling Co.	Hamlet

ROBESON COUNTY

Wilson Ice Cream Co.	Lumberton
Fairmont Butcher PE	Fairmont
Pineland Poultry, Inc.	Lumberton
Lumberton Ice & Fuel	Lumberton
Collins & Clark Milling	Maxton
FCX Food Products	Lumberton
Goodyear Sausage	Lumberton
Red Springs Meat Pr.	Red Springs
Laurinburg Oil Co.	Maxton

ROCKINGHAM COUNTY

Groff Brothers Poultry	Reidsville
Howard E. Moricle	Reidsville
Guilford Dairy Coop	Reidsville
Y & W Farm Center	Madison
Big Bill Bottling Co.	Reidsville
Crescent Milling Co.	Reidsville
P. L. Saunders, Inc.	Reidsville
Pine Hill Dairy, Inc.	Reidsville

ROWAN COUNTY

Cheerwine Bottling Co.	Salisbury
White Packing o.	Salisbury
Atlantic Co., Inc.	Salisbury
Bamby Bakers of Sal.	Salisbury
Parrish Bakeries, Inc.	Salisbury
Andrews Bakery	Salisbury
White Hill Dressing	Kannapolis
China Grove Roller	China Grove
Rice & Ratledge	Woodleaf
Grimes Milling Co.	Salisbury
Carolina Beverage	Salisbury
Rockwell Milling Co.	Rockwell
K & N Poultry Co.	Salisbury
Alexanders Meat Prc.	Landis
Bitsy Bakery	Kannapolis
Graham Bros Dairy	Mount Ulla
Mt. Ulla Flour Mills	Mount Ulla
Bill's Pastry Shop	Salisbury
Snack Time Food Prd.	Kannapolis
Rowan Coop Dairy, Inc.	Salisbury

RUTHERFORD COUNTY

Yelton Milling Co.	Rutherfordton
Edwards Bros Milling	Rutherfordton
Forest City Packing	Forest City

SAMPSON COUNTY

Clinton Ice Mfg. Co.	Clinton
The Lundy Packing	Clinton
Philips Ice Cream	Clinton
H. J. Underwoo & Co.	Clinton
House Milling Co.	Newton Grove
Griffins Poultry	Clinton
Butler & Crumpler	Roseboro
W. C. Martin & Son	Godwin
Warren Bros Farm Ct.	Dunn
Old Hickory Bar B Q	Godwin
Howard & Herring	Roseboro
Autry Bros Milling	Autryville
Calhoun Milling Co.	Clinton
Newton Grove Grain	Newton Grove

SCOTLAND COUNTY

Laurinburg Milling	Laurinburg
X Way Milling Co.	Laurinburg
Frozen Foods, Inc.	Laurinburg

STANLY COUNTY

All Star Mills, Inc.	Albemarle
Almond Bros Poultry	Albemarle
Richfield Milling Co.	Richfield
Albemarle Doughnut	Albemarle
Badin Ice & Fuel Co.	Badin
Burrell Bakery, Inc.	Albemarle
Rocky River Mills	Norwood
Morris Packing Plant	Albemarle
Lee Milling Co., Inc.	Norwood
Albemarle Bake Shop	Albemarle
Good O Ice Cream	Albemarle

STOKES COUNTY

Monitor Roller Mill	Walnut Cove

SURRY COUNTY

Yadkin Valley	Elkin
Carolina Ice & Fuel	Elkin
Brays Mill	Mount Airy
Dobson Poultry Co.	Dobson
Pine Ridge Milling	Winston-Salem

TRANSYLVANIA COUNTY

Krispy Glaze Donut	Brevard

UNION COUNTY

Henderson Roller	Monroe
Monroe Bakery Co.	Monroe
Monroe Turkey Pro. Co.	Monroe
Monroe Poultry Co.	Monroe
Mineral Springs Abattoir	Mineral Springs
Simpson Milling Co.	Monroe
Armour & Co.	Marshville
Producers Feed Mill	Monroe
Marshville Rendering	Marshville
White Oak Acres, Inc.	Monroe
Anderson Candy Co.	Henderson
Perfect Packed Prod.	Yonkers
Sanford Milling Co.	Henderson
Dixie Milling Co.	Henderson
Henderson Sandwich	Henderson
Tom Thumb Packing Co.	Henderson

WAKE COUNTY

Pine State Creamery	Raleigh
Hamlet Ice Co.	Hamlet
Fuquay Varina Flour	Varina
Taylor Biscuit Co.	Raleigh
Lassiters Milling Co.	Raleigh
Fishers Bakery & Sa	Raleigh
Watson Seafood & Po.	Raleigh
Edwards Poultry Kno.	Raleigh
Cross Poultry Co.	Raleigh
The Welles Co.	Wake Forest
Continental Baking	Rye, N. Y.
Jones Abattoir Co.	Garner
Jesse Jones Sausage	Raleigh
Krispy Kreme Doughnut	Raleigh
Wilson Sandwich Shop	Raleigh
Sanderford Sausage	Raleigh
Pooles Pie Shop	Raleigh
Home Ice Co.	Raleigh
Ralston Purina Co.	Raleigh
Stewart In Fra Red	Raleigh
Sunshine Baking Co.	Raleigh
Thompsons Barbecue	Raleigh
Ballentines Dairy	Varina

WARREN COUNTY

McPherson Beverages	Littleton
Warren Feed Mills	Norlina

WATAUGA COUNTY

North State Canning	Boone

WAYNE COUNTY

Mt. Olive Pickle Co.	Mount Olive
Goldsboro Milling	Goldsboro
Parker Poultry Co.	Goldsboro
Murray Supply Co.	Mount Olive
Darden Sandwich Shop	Goldsboro
Piedmont Mills, Inc.	Lynchburg, Va.
Franklin Baking Co.	Goldsboro
Graves Poultry Farm	Greensboro
Enterprise Feed Mill	Mount Olive
Nells Sandwich Shop	Goldsboro
Colonial Ice Co.	Goldsboro
Pine State Creamery	Goldsboro
Hunt Foods & Ind., Inc.	Goldsboro
New Hope Milling Co.	Goldsboro
Montague Feed Mill	Goldsboro
Geddie Ice Co.	Mount Olive
G & H Feed Mill	Goldsboro
Evans Abattoir	Mt. Olive
Farmers Service Co.	Goldsboro
Elliott Packing Co.	Goldsboro
Wayne Dairy Coop, Inc.	Goldboro
S & W Milling Co.	Fremont

WILKES COUNTY

Chick Haven Milling	N. Wilkesboro
Hulcher Bros & Co.	N. Wilkesboro
N. Wilkesboro Ice	N. Wilkesboro
Key City Baking Co.	N. Wilkesboro
Holly Milling Co.	Wilkesboro
Yadkin Valley Dry Coop	Wilkesboro
Joe Darlington Poultry	N. Wilkesboro

WILSON COUNTY

Barnes Harrell Co.	Wilson
Coastal Dairy Products	Wilson
Wilson Feed Mills	Wilson
Purity Bakery, Inc.	Wilson
Ralston Purina Co.	Wilson
Rock Ridge Roller	Lucama
Wilson Doughnut Shop	Wilson
Tasty Sandwich Co.	Black Creek
Colonial Ice Co.	Wilson
Swift & Co., Inc.	Wilson
ONeals Poultry Plant	Wilson
Blue Magic Co.	Wilson
Quality Bakery	Wilson
National Dairy Prdt.	Wilson

YADKIN COUNTY

Martins Bake Shop	Jonesville
Boonville Flour	Boonville

YANCEY COUNTY

Robinsons Dairy	Burnsville

OUR GOAL? FOOD PROCESSING KNOW-HOW

By TOM BYRD

Department of Agricultural Information, N. C. State College

DR. W. M. ROBERTS
Director, N. C. State College Department of Food Science

Service through education is the motto of the Food Science Department at North Carolina State College. This service is rendered in four ways: through research, where new ideas are developed and tested; through extension, where new information from the college is taken directly to people who can use it; through resident instruction, where young men and women are educated to become leaders in the food industry; and through short courses and conferences, where industry representatives can learn of new advances and concentrate on specific problems. In summary, it can be said that our goal is to undergird the food industry of North Carolina with know-how that individual segments of the industry cannot provide for itself.

The Food Science Department was created in July 1961 when personnel who had been working on poultry, meat, fruit, vegetables, dairy and seafood products in several departments were organized into one department. By bringing together people with a mutual interest, we felt that our efforts would be more concentrated and the food industry would be better served.

Principal Client

Our principal client is the food processing industry. Our goal is to help this industry apply the principles of science, business and engineering to the procurement of new materials and supplies, development of new and improved products, processing, packaging and distribution of food products.

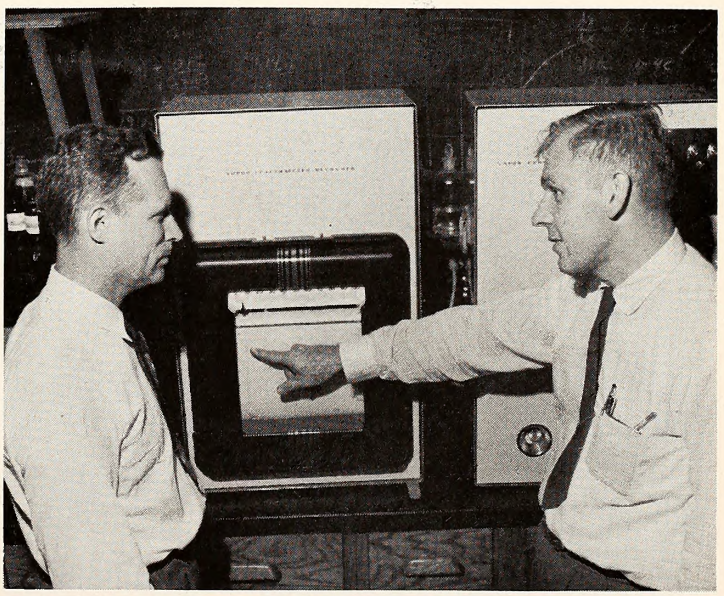
We do these things not just for the benefit of the food processing industry, but because we believe that the advancement of this industry will benefit many North Carolinians. True, the food processing firms will have more business. But this will also mean the creation of more jobs, a larger and more stable market for farmers, and the need for more allied services—supplies, equipment, transportation, electricity, and many other things. Of prime importance is the consumer who benefits from having a greater variety of better food at a more economical price.

Many Plus Factors

Creation of a Department of Food Science resulted from the realization

(Continued)

North Caralina has a large fruit and vegetable canning industry and potatoes are an important praduct ta the cannery. Here, workers are shawn canning patatoes, weighing the filled cans ta assure uniformity. Various canneries are depicted in this issue af the QUARTERLY.



Food pracessing activity is backed by continuaus research. Two members of the N. C. State College Food Science Department, Dr. W. M. Raberts (left) and Dr. Leanard Aurand, discuss a madern piece af machinery which is used in chemical analysis of faad components.

that North Carolina has many plus factors for developing a larger food industry—climate, water, labor, land, capital, and closeness to markets. Presence of these advantages, however, does not in itself assure that a food industry will develop or be successful. There is competition for these assets by other industries. Also, there must be people with the management and technical skills to use these assets effectively.

State College is one of many state institutions providing a service for the industry. The Department of Conservation and Development, for example, provides information to prospective firms both inside and outside of North Carolina. The Department of Agriculture and State Board of Health perform many regulatory services. Our department cooperates closely with these off-campus agencies as well as other departments at State College.

Since our new department inherited on-going programs from several existing departments, some of our research, teaching and extension functions are well established. Others are being strengthened or initiated. At present our staff is scattered, but plans are being made for a building that will permit us to consolidate our work.

Food Industry Career

Our instructional program permits young men and women who want a career in or related to the food industry to receive a degree in the field. In fact, a student can choose between the scientific, business or technological phases of the food industry. He also can pursue his studies at the masters or doctorate levels. Scholarships are available to assist worthy students.

Our department's extension workers are primarily responsible for the on-campus short courses and conferences as well as the off-campus assistance we provide the industry. A short course may last one day or one month. Conferences are usually planned around specific problems facing the industry. Objective of our extension program is to help the industry train its employees and keep them up-to-date with the latest technical information available.

Our research scientists already have many achievements to their credit. Their work, for example, in cutting the curing time for country hams, removing off-flavors in milk, prolonging the shelf life of broilers and eggs, and producing sweet potato and pumpkin flakes is being put to profitable use by the industry.

North Carolina has made a start in food processing which is to the credit of many people. We in the Department of Food Science believe our work and contributions have been sufficient to justify a feeling of optimism about the future. We realize, however, that the wheels of progress turn slowly and considerable time is required to change people's habits and attitudes. But never has the need for change been recognized by so many people. The problem is not whether people will change but whether the leadership can develop guidance and programs to stay ahead of them. The challenges and rewards are tremendous. We in the Food Science Department pledge our best efforts and believe that through cooperation with the industry and other state agencies, the job can be done.

"Man of the Year"

The Progressive Farmer magazine has selected Dr. W. M. Roberts, head of N. C. State's Food Science Department, "Man of the Year in Service to North Carolina Agriculture." Roberts was cited for his "burning desire to better the lot of those who produce and process foods."

A native of Tennessee, Dr. Roberts came to State College in 1943 as professor and head of the dairy manufacturing section. "It's more than coincidence," the Progressive Farmer says, "that North Carolina began rapidly to become self-sufficient as a dairy state."

In July, 1961, Dr. Roberts was named the first head of the Department of Food Science. His work was expanded to include meat and meat products, poultry products, fruits and vegetables, and seafoods, as well as dairy products.

North Carolina's interest in food processing stems from the fact that of every dollar spent for food today 38 cents goes to the farmers and 62 cents goes to other segments of the food industry.

"Ways must be found," Roberts says, "to get more of this 62 cents in the hands of North Carolinians.

Dr. and Mrs. Roberts, and their three teenage children, reside at 1305 Lutz Avenue, Raleigh. He is an elder in West Raleigh Presbyterian Church and a trustee of St. Andrews College in Laurinburg.

. . . TOM BYRD

Meat processed in North Carolina is sold fresh or canned. The side of beef above is marked off to show the different cuts.

Seafood is an important part of the overall food processing operations. Dr. Frank Thomas (left), seafood specialist at N. C. State College, discusses techniques with a Morehead City manufacturer. The college is one of many institutions providing a service to the industry.

TAR HEEL BY ADOPTION

By SYLVIA T. CARR

Gerber Baby Foods, Asheville, N. C.

When the Gerber Baby became a Tar Heel by adoption, there was born a mutual benefit society. The arrival of Gerber in North Carolina has had a terrific impact on the economy of the area, and the growing of produce for the baby food company by our North Carolinians has in turn played an important role in increasing Gerber sales during the last year.

Gerber established its first southern plant in North Carolina after inspecting numerous locations and taking many factors into consideration. A site close to the source of raw material, adequate pure water, good transportation facilities (located on a railroad and close to state highways for truck access), and the availability of capable, willing workers were all elements leading to the final decision. Like other manufacturers, a food processor settles in the community that goes all out to receive him, where city and county governments are extremely cooperative, the chamber of commerce and its industrial development committees for him, where living conditions are good for his employees, where there are good employees available, and where good banking facilities, medical facilities, schools, industrial supply stores, machine shops, and service organizations are available.

The Asheville plant was the first in the Gerber organization to use the services of the Employment Security Commission, and the management group has expressed highest praise for the work done by the Asheville office in filling its employment needs.

Applicants are office recruited, tested, and screened by the Asheville ESC before they are referred to our personnel department for further interview prior to employment.

There are over 30 different job classifications in the plant, and 19 in the office. In 1958 Gerber warehousing operations began. Since then, 610 job placements have been made, about one-third were short-term hires, and a penetration rate of 77.6% for the food processing plant.

In this industry there is an occasional immediate need for workers so that produce may be processed immediately when the crop is ready to pack. For instance, English peas must be processed at optimum maturity within a four-hour period. The ESC has advertised and broadcast radio appeals for workers to assure the plant of sufficient help to pack the produce at the peak of perfection.

This kind of cooperation has brought highest praise from Fred Powers, personnel manager at Gerber. "I have never enjoyed a working relationship with any state employment agency such as we have here. We have been fortunate in having the caliber of people who cooperate the way they have. The late B. C. Wilson was outstanding in his efforts, and Philip Penland is following the excellent pattern set."

A large percentage of those originally hired are still with Gerber, and the low turnover of regular employees speaks well for the baby food company as an employer.

North Carolina has the largest rural population of any state, exceeded in number of farms only by Texas. It is natural that this environment would appeal to a baby food processing company with highest standards of quality control from field to finished product.

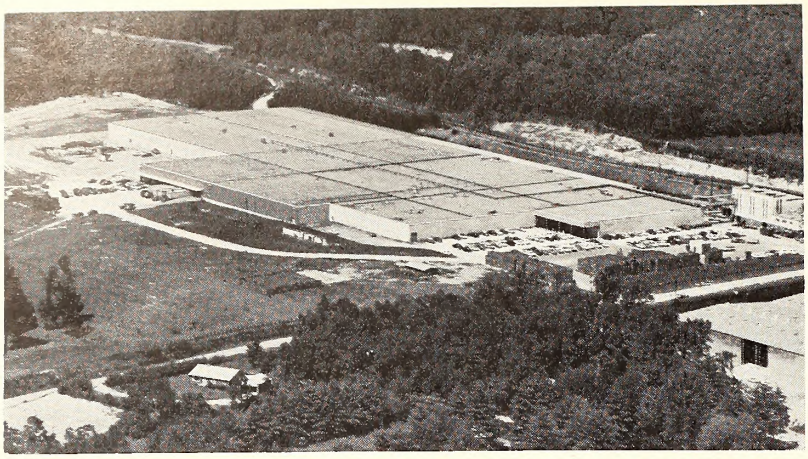
Last year more than 20,000,000 pounds of produce were brought from growers in the southeast by Gerber Products Company.

Gerber placed more than $8 million in circulation in this State during the past year through the purchase of produce, ingredient materials, glass jars, and services.

Almost $1.5 million is paid in annual wages to Gerber Employees in the Asheville plant alone. Indirectly, Gerber money also goes into other states through the migrant workers who are hired to harvest peaches, apples, beans, and sweet potatoes.

(Continued)

Featuring a three dimensional stork flying low with a bag of Gerber products, the attractive display welcomes travelers who pass through the Asheville-Hendersonville airport. The sign is in the terminal and has drawn much favorable comment, report company officials.



Aerial view of the Gerber plont in Asheville shows its attroctive loyout ond setting. The plont includes 200,000 squore feet of storoge spoce ond hos ot leost eight acres under roof. Eoch yeor more ond more visitors ore ottrocted to the western oreo plont ond further exponsion ond development is plonned.

Appliconts for employment ot Gorber ore recruited, tested, interviewed and screened by the Asheville locol office of the Employment Security Commission before they are referred to the Gerber Personnel Deportment for further interviewer. There ore over 30 different job clossificotions in the plont ond 19 in the plant office. Gerber is olso octive in hondicopped worker job placement.

All produce is corefully inspected ond trimmed before being processed. Gerber reports low turnover in the permonent employee ronks, ond onnuol woges paid by the Asheville plont ore reported to be almost $5 million. An estimated $8 million is placed in circulotion by the plant through wages, purchoses ond services. It also serves as a distribution point for other Gerber products.

An additional million dollars is being spent this year through the current Gerber expansion program.

As often happens when a new industry enters an area, suppliers establish new plants in the immediate vicinity, thus bringing additional demand for manpower into the Asheville area and additional revenue into North Carolina.

Agriculturally, Gerber has expressed a great satisfaction with the cooperation given them by the growers in the State, as well as that extended by State and local governments and their allied agencies.

Growers in North Carolina have supplied the baby food plant with green beans, carrots, sweet potatoes, Irish potatoes, squash, English peas, apples, and on the North Carolina-South Carolina boundary, peaches and plums.

Besides producing baby foods, the Asheville plant serves as a distribution point for some finished goods from the Company's plants in Fremont, Michigan, Oakland, California and Rochester, New York and 12 southeastern states. A new warehouse addition gives the plant about 200,000 square feet of storage space. An additional plant at Fort Smith, Arkansas, is now in early stages of construction.

The Asheville facility now has eight acres under roof. This plant, a one-story building, is the first Gerber operation to utilize the "open" look, with all of the processing machinery being in one large space with no dividing partitions between departments. This gives the plant a feeling of spacious cleanliness which is most pleasing. Future expansion and development are projected into 1970.

Gerber people are not only concerned with manufacturing quality baby food, but also in maintaining quality employee relations. They believe that hiring the handicapped worker is good business, and the plant manager, John Erichson, was one of four men participating in a panel discussion on this subject at a regional meeting of the mid-Atlantic Conference of the President's Committee of Employment of the Handicapped held in Asheville in October.

As in all industrial operations, there are many facets to the baby food business, and one of the most interesting has been the steady flow of visitors touring the plant since production began in 1959. Over 6,000 visitors have availed themselves of the invitation offered by the traditional Gerber sign saying "Visitors Welcome" which is on U. S. Highway 25 south of Asheville. Each year more and more tourists are attracted to the plant.

Gerber has entered into the life of the community with keen interest and a forthright ambition to work closely with the growers of the State, with company employees, and with all agencies, thus enabling the Company to better cater to its millions of customers in 40 countries who are daily asking for Gerber baby foods in 10 different languages.

"FROM A LEAN-TO ON A RED CLAY FARM . . ."

By CURTISS CATES

Charles F. Cates & Sons, Faison, N. C.

The old adage "Great Oaks from Little Acorns Grow" is proven again when we look at Chas. F. Cates & Sons, Inc., today. From an humble beginning in a "spring house," with a lean-to on a red clay farm in Alamance County, Cates pickles were first prepared for public consumption. In 1989 Charles F. Cates' grandmother took advantage of a bountiful harvest of cucumbers and prepared them by old family recipes for commercial sale in a nearly cotton-mill village. She discovered good acceptance for pickles in the village. Her Scotch frugality quickly turned into a commercial venture.

Garden rows of the year before were expanded into a sizable patch of cucumbers. The local village could not consume all of the pickles produced and they were sold in the neighboring towns.

By the time Charles F. Cates acquired his own farm in 1905, he was known as "Pickle Cates" throughout most of Alamance County. His farm operation included an expansion of the pickle business. He operated a diversified farm . . . growing grain, cotton, tobacco, and cucumbers. Cucumbers were brined in the summertime and made into pickles in the slack season of the fall and winter.

The Swathmoor Farms orchard was planted, and in 1912 preserves and jellies were added to the line of pickles. This expanded line of pickles and preserves required a greater expansion in the sales territory; and during World War I the demand for pickles increased to such proportions that it could no longer he considered a sideline to a farming operation. The distribution area in the early 1920's included most of the Piedmont area of North Carolina and parts of southern Virginia.

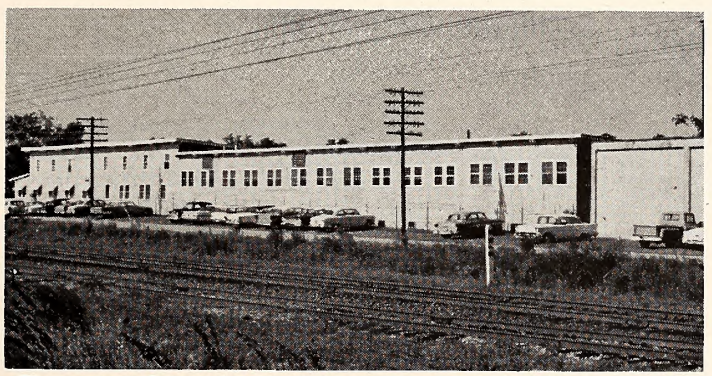
The expanded sales territory put such a demand on the personnel of the Cates farm at Mebane that it was decided to move the operation to the trucking section of North Carolina.

In 1929, Charles F. Cates & Sons was incorporated and the principal office and plant was established in Faison, North Carolina. A three-acre plot was purchased and a 96 by 46-foot building was erected. Sixteen pickle-storage tanks were constructed and contracts were made with farmers to grow approximately 100 acres of cucumbers. The annual sales for the first year's operation was $36,000.

Pickle varieties began to grow from a comparative few in large containers to a number of home-consumption sizes. In 1935 Cates introduced the paseurized fresh cucumber and kosher pickles.

Fresh cucumber pickle items have grown in favor with the pickle consumer, and sales of these items have continually increased since their introduction. During the six-week period in which pickles are packed the Cates organization maintains a "round-the-clock" operation. During peak activity in June and July, the number of employees increases from 125 to 1,000 persons. Normal employment is about 125 workers.

—See CATES, page 43—

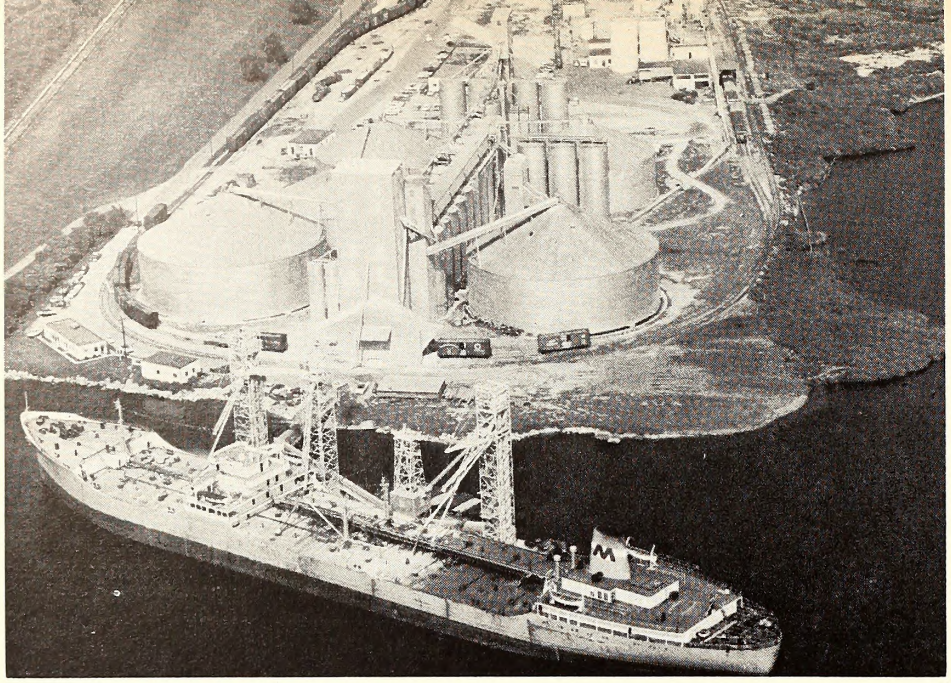


The present Cates plant in Faison with original building on the far left. Cates pickles were prepared in Alamance County before the move to Faison in eastern Carolina. The business started in 1898.

Cases of Cates pickles are moved from the production line to warehouse to await shipment. During the six-week period in which pickles are packed, the company maintains a "round-the-clock" operation.

Here are some of the more than 600 tanks used by the Cates Company to cure and store cucumbers. During the "green season" cucumbers from more than 5,000 farmer-contracted acres are harvested. The yield from this acreage is more than 500,000 bushels.

Mrs. Dorothy Outlaw admires a few of the products found in the assortment packed by Cates. Cates pickles and relishes are distributed to points east of the Mississippi River, from Maine to Florida and company growth has been "steady." Normal employment is about 125 workers.



Cargill, Inc. . . . 10 Years In North Carolina

In The Solid Tobacco Country of the Coastal Plain

DAVID KOONCE

Carl Byoir & Associates, Minneapolis, Minn.

While North Carolinians were looking on with understandable appreciation at the state's growth of such new industries as electronics and chemicals, there was also in progress a phenomenal, but almost unnoticed, growth of another industry that is at least as economically significant as any other.

It is the grain industry, which now numbers 430 firms in the state, compared with 270 only ten years ago. This growth is as vital to North Carolina's economy as is the establishment and expansion of industries that are new to the state. Grain has brought opportunities for agricultural diversification to a leading farm state that, tied as it once was to money crops, has successfully expanded its industrial economy along more diversified lines. The result has been growth of all segments of the economy at the expense of none. Still heavily dependent on our agriculture, we fortunately have not permitted our farm economy to become a burden or brake on our overall growth. For this, we owe many thanks to the wisdom and foresight of men in the grain industry who have brought opportunity and venture together in a happy union abundant with blessings.

Typical of these grain companies was Cargill, Inc., one of the world's largest handlers of farm products with hundreds of operations spread over 29 states. Gargill's first North Carolina venture was in the solid tobacco country of the Coastal Plain in 1950. In that year, it began operating a grain elevator at Wilson alongside the tracks of the Norfolk and Southern. At the time, grain production in the area was—by comparison to the grain states of the Midwest—in a primitive stage, little advanced beyond what it had been a half century before. Corn yields, for instance, averaged less than 30 bushels an acre. There was no grain market worth the mention, and about the only reason a farmer had for growing it was as feed for his mules and cows.

But with the coming of Cargill and its 1,160,000 bushel elevator at Wilson, farmers in the area began to grow grain seriously. Today, Wilson is the state's largest grain market and is one of the biggest in the Southeast. In 1952 the state's production of corn for grain was 52.9 milion bushels; in 1961 it was 84 million bushels. Meanwhile, this increased emphasis on grain led Cargill to expand its North Carolina facilities. It began operating a 178,000-bushel elevator at "little" Washington and a 55,000-bushel elevator on the Pungo at Belhaven that provided additional markets. At South Norfolk, Va., there was added to the company's 4.2 million-bushel export elevator a soybean processing plant. (Cargill already was one of the nation's largest soybean processors.) The bean plant increased opportunities in soybeans for growers not only in eastern North Carolina, but in adjacent areas also. From 1952 to 1961 the state's soybean output climbed from 4.7 million bushels to 14.3 million bushels. Thus grain and soybeans raised by Tar Heel farmers could be marketed in Wilson, Washington and Belhaven and moved directly to South Norfolk for shipment to every hemisphere.

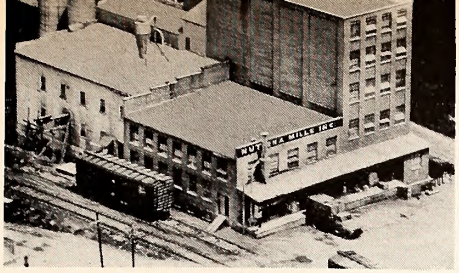
Hand in hand with this expansion was a tremendous growth in the production of meat animals and poultry which would consume much of this added grain production. Cargill joined the efforts spearheaded by State College and state officials to encourage more animal production. The figures tell a success story: In 1950, swine production was 1.1 million head, but by 1960 had climbed to over 1.5 million. Beef cattle rose from 150,000 head in 1960 to 521,000 in 1961.

More spectacular has been the growth in commercial broilers, which zoomed from 28.1 million in 1950 to 186.3 million in 1961. The rise in laying hen production compared to egg output increase perhaps more than anything else points up the impact of the burgeoning feed industry in the state. In 1960, 8.2 million layers produced 1.2 billion eggs. In 1961, the number of layers had increased less than 25 per cent, but they were producing almost double the number of eggs. Here, much of the credit must be given Nutrena, the feed division of Cargill. This increase in eggs is mainly due to improved bird breeding, advances in feed nutrition, and vastly improved management practices. In the last two categories—nutrition and management—Cargill-Nutrena has been the unchallenged leader in the industry, and the results of its research efforts have been extensively applied in the state.

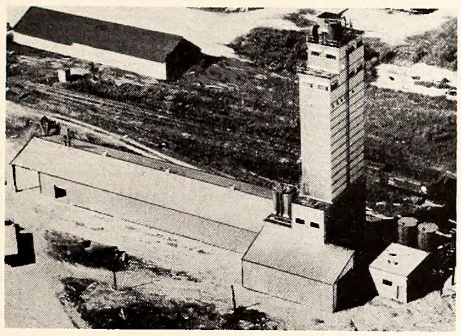
In 1956 Nutrena acquired a feed plant at Mt. Ulla with a capacity of 50 tons daily. The mill's facilities also included grain storage tanks with a total capacity of 100,000 bushels. In August, 1961, Gov. Terry Sanford dedicated a modern, automated 100-ton-per-day Nutrena mill adjacent to Cargill's Wilson elevator. On hand at the ceremonies also were Congressman L. H. Fountain, Wilson city and county officials, and the president and executive vice president of Nutrena, J. C. North and E. C. Fuller. North said then that the mill would use local grain whenever available.

In his dedication speech, Gov. Sanford said of Cargill-Nutrena management: "They realized—apparently, before many of our own people did—the great potential that exists here. And being a company that takes justifiable pride in its progressive reputation, they moved to develop this potential. In so doing they began . . . to contribute to the progress of this state."

Governor Sanford's mention of the company's reputation for progress was doubtless reference to Nutrena's many firsts in the feed industry.



Animal feeds mill in Mt. Ulla with a praductian capacity af 50 tons a day was acquired in 1956 by Nutrena. The plan has a 100,000 bushel grain storage capacity.



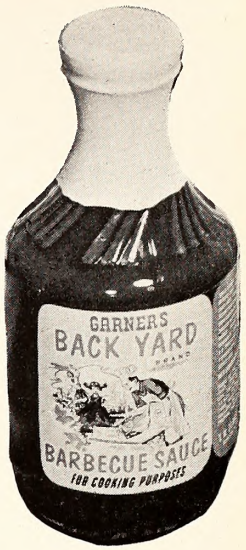
Daminating the skyline in Wilsan is this 100-tons-per-day animal feeds mill af Nutrena, feed divisian of Cargill. The plant was dedicated in 1961 by Gavernar Terry Sanfard.

Nutrena was first to use vitamin B-12 in poultry feeds; the first manufacturer of high-antibiotic swine feeds; first in the industry to offer crumblized and pelleted feeds; first to use electronic computers to determine the best feed formula—from the standpoint of cost, availability and quality—from millions of possible formulas; first to vaccinate chickens successfully against the killer coccidiosis; and first in the development of isolation systems for raising swine and calves and systems for high-efficiency egg production. The Nutrena-designed Hi-Density egg production system, incidentally, is catching on in North Carolina as in no other area. There are now 18 of these egg production houses, each with 10,000 chickens, in seven North Carolina counties.

Cargill, a 97-year-old company, operates over 100 terminal elevators and country elevators, 16 feed mills and 13 vegetable oil processing plants. Its commodities department also deals in salt, industrial molasses, fishmeal, and Dura-Bond, the company's patented feed pellet binder. Cargill's hybrid corn and sorghum seed is sold extensively in the Midwest. Dog food made in Kansas City, Kan., is marketed under the Nutrena label. Cargo Carriers, Inc., the company's transportation division, operates a barge line on the inland waterways. From the company's 820-acre research farm near Elk River, Minn.—the industry's largest experimental farm—come many of the ideas that perpetuate Nutrena's reputation as a pioneer. In addition, Cargill has subsidiary and affiliated companies in Canada, Central and South America, and Europe.

"With A Knack For Barbecue Sauce . . ."

From The Winston-Salem JOURNEL-SENTINEL



A small barbecue stand, operated by a man with a knack for making delicious barbecue sauce, grew into one of the leading food processing companies in the Carolinas. The man is Thad W. Garner, and the company is T. W. Garner Food Company of Winston-Salem, for over 30 years packing and distributing famous Garner preserves, jellies, sauces, and syrups. You see the Garner label on 19 varieties of jellies and preserves, and Texas Pete, the better known of the two names, on the sauces.

Garner began his business in 1929 without the vaguest idea of what it would be today. The story began in pre-depression days while Garner was a student at Mineral Springs High School. By driving a school bus and delivering newspapers, he managed to save $600 which he hoped to put on a college education.

After graduation, he put the money into a barbecue stand instead. It was located opposite the Smith-Reynolds Airport, and if it hadn't been for the barbecue sauce, Dixie-Pig Barbecue would have been just another eatery.

Garner says: "A man who ran a barbecue place at Mount Airy came into my place one day and ordered a barbecue sandwich. After he ate it, he said, 'That's the best barbecue sauce I ever tasted. Then he asked me if he could buy some of the sauce to use on barbecue sandwiches in his place."

Garner dispatched an order of sauce to the Mount Airy man and soon afterwards, other businesses began requesting the sauce. Garner's mother began making the sauce in the family kitchen, and his father, Samuel, began traveling North Carolina roads drumming up customers.

Barbecue sauce lead to worcestershire sauce. Then came Texas Pete hot sauce, "because a lot of people requested that we make hotter barbecue sauce. Rather than risk the chance of displeasing someone, we just added another product." And so began a slow transition from the barbecue business into manufacturing. The first barbecue sauce, Dixie, disappeared with the road side operation and so did that recipe, written

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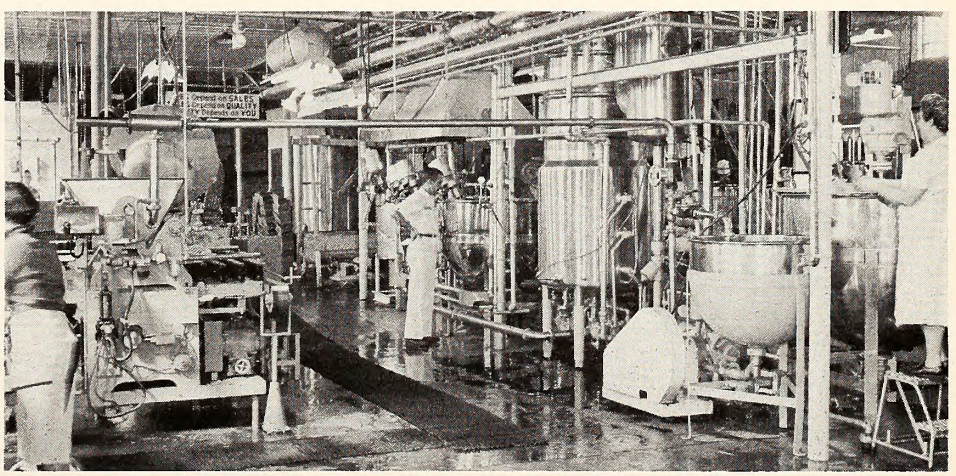
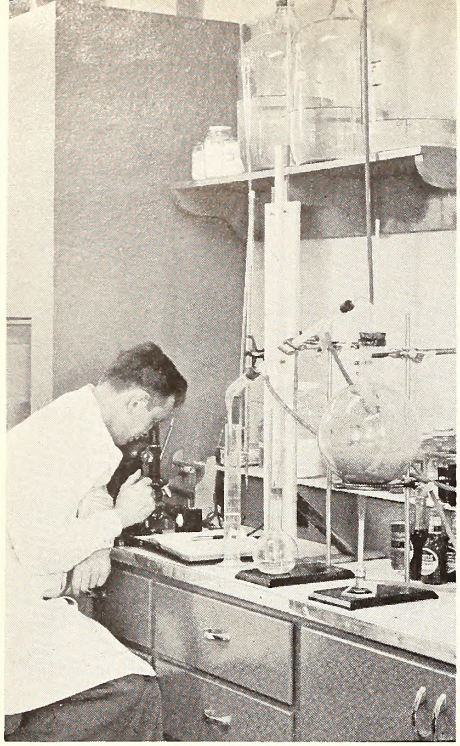


Inside the T. W. Garner plant, a maze af gleaming pipe, urns and kettles. Employing 35 permanent warkers, and 35 additional peaple during the summer, the Garner plant naw includes aver 20,000 square feet af flaar space and supplies accaunts in almast a dazen states.



A chemist ond on ossistont constontly check products os they come off the Gorner ossembly line, onother method in which the company "strives for perfection in its products."

in long hand, that came from Georgia.

By 1933 the business had outgrown the home kitchen. The Garners moved their work into the old Lawrence buiding on Oak Street. "We still didn't have equipment, and continued to use pots and pans," Garner explains.

"It was five years after we started the business before we had enough money to open a bank account. We plowed all the profits back into the operation and never bought anything on credit."

In 1942 the Garners were ready to throw away the pots and pans and replace them with large stainless steel kettles. They contracted construction of a building at its present location on Indiana Avenue. Three units have been subsequently added.

Other Products Added

Products added over the years include steak sauce, seafood cocktail sauce, green pepper sauce, hot dog relish and chili for hot dogs, and jellies and preserves. The Garners decided that the best thing to do was to utilize the product grown in their section of the country to make their products. "All we do is put together what growers grow," according to Garner. "And it's always packed under our labels. We never pack anything for someone else to label."

In 20,000 square feet of floor space, the company has five departments—raw material storage, raw materials processing, manufacturing, research and quality control, and storage and shipping.

The Garner business keeps 35 persons employed throughout the year. During the summer, approximately 35 extra workers are hired. The employees share in the profits through a retirement fund and semi-annual cash bonuses based on profits.

Through 600 active accounts, Garner Food Company products go to nine states besides North Carolina and the District of Columbia—Delaware, Maryland, Virginia, West Virginia, Tennessee, Alabama, Georgia, Florida and South Carolina. The area is covered by Garner salesmen and brokers, and more than 150 suppliers furnish products for Garner manufacturing.

Best That Can Be Made

To see that the products are the best that can be made, a chemist and assistant chemist are constantly testing the products as they come off the assembly line. By using coded labels on which numbers are changed every 15 minutes, an error in the process of manufacturing can easily be pulled out and discarded. The chemists spend part of their time analyzing competitors' products and making test batches of products that may later prove to be marketable.

Bothers and Father

Garner explains that the company strives for perfection in its products

—See GARNER, page 55—

From o Tor Heel farm come dewberries for Gorner's preserves ond jellies. Through 600 active occounts, Garner products go to 10 states and the compony is supplied by more thon 150 producers. All Garner products ore pocked under the compony lobel, none going to other processors.

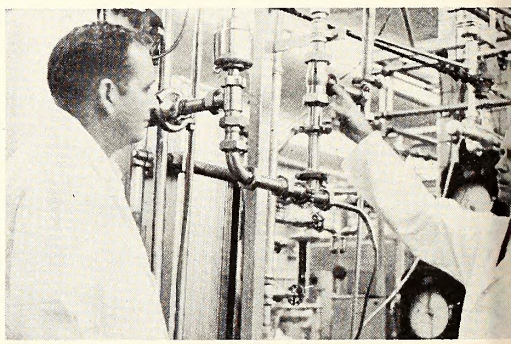
NATURAL

—Continued from page 14—

better, and it is growing fast. Virtually all of the crop goes to the fresh market. Apple sauce, apple juice, apple jelly, apple butter, canned whole apples, canned sliced apples, and dried sliced apples, are just a few products that could and should be made here in our own State and sold all over the world.

Research has shown that many new and fascinating food items can be made from chicken and turkeys. Further processing of poultry provides an opportunity to import new taste appeal, extended shelf life, and "ready-to-serve," rather than "ready-to-cook" characteristics to our chickens and turkeys. Soup or soup stocks, boned and canned chicken or turkey, "bird-dogs," a chicken-type frankfurther, sandwich loaves, and frozen chicken dinners, are just a few of the possibilities for further processing of poultry.

North Carolina meat plants are now operating at only about 70% of their capacity, which enables them to supply



Stote College Food Science Deportment with Dr. W. M. Roberts os director, hos contributed involuobly to processing odvonces.

about one-third of the state's red meat requirements. We have the land, climate, and people to produce many more animals for slaughter. In this area, production must catch up with processing.

Fish and shellfish have been caught in commercial quantities in our coastal waters for centuries; and, except for initial processing, the products have been shipped elsewhere to be prepared for the housewives' use. North Carolina oysters and shrimp have come back to us, sporting labels of other states and areas. Almost unlimited and virgin markets await the production of canned, frozen, or breaded fish, shrimp, oysters, crabs, clams, and many other succulent seafoods. Any steps taken to make seafoods easier to prepare and serve, and to dispense with unsavory cooking odors will greatly enhance the market.

We possess the natural resources, the climate, the people, the transportation, the proximity to markets, and the governmental attitude to make North Carolina the "food basket" of the East. For North Carolina—food processing is truly a natural!

FCX Food Products Plant in Lumberton

SWEET POTATOES CHIEF PRODUCT OF FCX CANNING PLANT

BRUCE MILLER

Assistant Director, Advertising and Public Relations

"If a crop can be economically produced and processed—and if there is a dependable market for it—then we will explore the possibilities for FCX Food Products."

This statement by an FCX official shortly after the acquisition of the canning factory at Lumberton, N. C., has become a guiding principle in the cooperative's objective toward providing better markets for farm produce through the processing within the Carolinas of home-grown foodstuffs.

G. D. Arndt, General Manager of the Farmers Cooperative Exchange, states, however, that existing processing plants in the Carolinas often have trouble securing an adequate supply of fruits and vegetables.

He continues, "Producing for the canning market is as important as producing for the fresh market. Quality and uniformity are even bigger factors. The lack of interest in growing fruits and vegetables for commercial canning must be overcome if we are to move ahead in making the Carolinas an important food processing center."

By expanding the facilities at the cannery, the cooperative has taken steps toward developing the potential for food processing in the two states.

Immediately after acquiring the plant in August, 1960, FCX began expanding and renovating. The plant is now twice the size it was when purchased. Additional storage was provided, and production lines for new products were added. Walls were treated to control moisture, and machinery modernized to render quicker and better service at lower operating costs. New facilities were also provided for rapid unloading of trucks. The plant is now ready to operate at peak efficiency when it receives adequate supplies of high quality produce.

Sweet potatoes are the chief product of the facility. The plant has also processed beans, white potatoes, tomatoes, succotash, okra, and peaches. Labels on FCX food products are "Little Dandy," "Royal Yams," "Pam Pack," "Dixie Yams," and others.

The market consists of big grocery chains, in and out of the Carolinas —and also local wholesalers. The selling is done through brokers.

The cannery is able to pack five different sizes of cans. With four lines operating, it can handle four can sizes simultaneously. Can sizes include eight-ounce, 303, three-squats, number 2½, and number 10.

A resident government inspector is provided through the federal-state inspection facilities. There are about a half dozen inspections from the time vegetables are first received from the supplier.

Following are the actual steps to the finished product in the processing of potatoes from the time they are received at the inspection platform.

Potatoes are washed. Then they are pre-heated, submerged and conveyed through an 11 percent caustic solution for peelings to be cooked. The "Rod-and-Reel" washer uses heavy sprays of water to remove cooked outer surfaces. Then, potatoes are passed through a continuous peeler to receive a smooth, finished surface.

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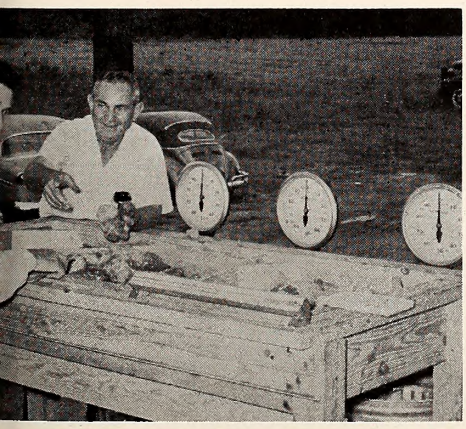
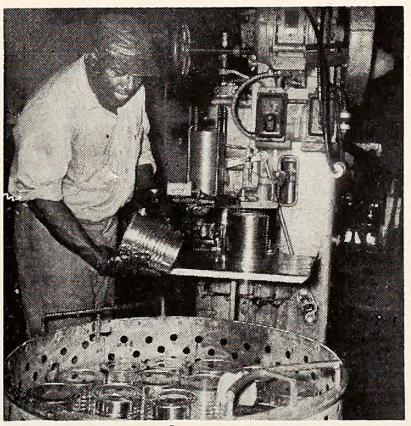


The Federal-State inspection service provides a resident inspector to check all vegetables delivered to the canning plant.



With four lines operating, the cannery handles four different can sizes simultaneously.

Final step for canned goods is delivery to buyers—to grocery chains and wholesalers. Distribution of FCX food products is accomplished through brokers.

After finishing they are conveyed onto trimming tables and carefully trimmed, removing blemishes.

From the trimming lines they are passed onto sizing tables where they are graded for the various sized containers. They are canned to the proper size with the correct density of syrup, and then moved to the preheated exhaust box where heat removes all air from cans. Cans are sealed with syrup temperature about 140 degrees fahrenheit. They are then placed into large, circular metal crates which hold 200-600 cans according to size.

While in the crates—which look like large porous baskets—cans are lowered into large pressure cookers where they are processed for various degrees of temperature and time control. Time control varies from five to ten minutes up to 3½ hours, depending upon the items being processed.

After cooking, cans in the crates are placed on an automatic "dumper-unscrambler" combination. This machine dumps and unscrambles cans. Cans then are packed into cardboard containers of 24 cans each. All number ten cans are packed six to the case.

Boxes are then stored for shipment. On or about the shipment date, they are brought back to the "dumper-unscrambler" and rerun into the labeling machine where proper size and shape labels are automatically applied.

Next step is the buyers' store or warehouse—then to the grocery shelf.

FCX Food Products is in the market for locally grown vegetables, say officials of the cooperative, and is a service available through the diversified FCX marketing facilities to farmers throughout the Carolinas.

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An array of pickles packed at Mt. Olive, including sour, sweet and dill pickles, sweet relish, sweet mix, sweet chips, sweet slices and fresh kosher dill, all vacuum packed and pasteurized by the Mount Olive Pickle Company. Annual gross sales of the Wayne County firm is $4 million.

From Mt. Olive Pickle Co. . . "Carolina Beauty, Little Rebel, Pick of Carolina"

By JOHN N. WALKER

Mount Olive Pickle Company, Inc., was organized in 1926 to offer a market for cucumber growers in the area and provide profitable employment to workers in and around Mount Olive, N. C. The community venture gradually succeeded and today the company has an annual payroll of half a million dollars and gross annual sales of approximately $4,000,000.

Before the company was organized, George Moore and S. Baddour, partners, started a brining station at Mount Olive to brine cucumbers and sell them to other pickling firms for finishing and marketing. After a short operation, they realized that there was a very small market for brined cucumbers. Then, possibly as a depression move, citizens of the Mount Olive community formed a company to complete the processing already started. Operation began in 1926 with $25,000 in capital, one 45 by 80-foot building, and about a dozen employees. Within two or three years it became necessary to double the facilities. During the succeeding years, Mount Olive Pickle Company had its ups and downs but continued a gradual and substantial expansion of facilities.

The company today is located on an 18-acre site and has six buildings containing 150,000 square feet of production space. In addition, it operates over 800 open-air brine tanks. These tanks have an average capacity of 700 bushels of cucumbers.

Through its successful operation and sound expansion of its markets, today Mount Olive Pickle Company has plant and equipment valued at approximately $400,000 and a net worth exceeding $1,000,000. It employs an average of 200 workers, a number which greatly expands during the six or eight weeks comprising the green pickle season. Annual payroll is now in excess of half a million dollars, a splendid sum to be distributed almost entirely in the rural Mount Olive community.

Working closely with cucumber growers within a 100-mile radius, the company supplies proper seeds for the types of soil and gives technical suggestions of methods of improving cucumber quality and quantity. The firm contracts with almost 4,000 growers to take 300,000 to 450,000 bushels of cucumbers each year from approximately 4,000 acres, depending upon the success of the crop. During the green cucumber season, the company operates 20 receiving stations where cucumbers are primarily graded. Growers are paid on the basis of cucumber quality and size, with sound, small cucumbers bringing higher prices.

At various stations cucumbers are received and graded into five sizes. Oversize produce is rejected. Cucumbers are hauled to the plant, unloaded into hydraulic dumping units and conveyed to brining vats. Cukes destined for the fresh pack, fresh kosher dills, or fresh cucumber pickles are separated in advance. Others are cured, graded manually and by machine and are returned by sizes to vats where they are retained until

packing. They are subsequently moved from these vats to process tanks where most of the salt is removed and certain spices added. If cucumbers are to be a cut variety, they are cut both manually and by machine, sometimes regraded, and then placed in vinegar tanks. If they are to be sour or dill pickles, they are packed in jars and the jars vacuum sealed and pasteurized. If for sweet pack, they are removed from the vinegar tanks and placed in sweetening tanks. Here they remain for a period of time before going to the packing room. They are packed in jars with a cover liquor of sugar and spices, capped and pasteurized.

Principal Mount Olive brands are "Carolina Beauty, Little Rebel, Pick Of Carolina," and "Way Pack" pickles and relishes. Products include sour, sweet and dill pickles, sweet, relish, sweet mix, sweet chips, sweet slices and fresh kosher dill, all vacuum packed and pasteurized. Mount Olive products are sold throughout the area east of the Mississippi River, shipped by rail and commercial trucks, and the company operates its own trucks for delivery.

A profitsharing plan is in operation for employees of Mount Olive Pickle Company. Actually a pension plan, it was adopted 19 years ago. Today the system is very popular and perhaps there are some 30,000 similar plans in existence across the country. Based on a formula involving profits, earnings of the individual and other stipulated factors, the plan, in effect, offers a bonus averaging approximately 10 to 15 percent of the annual wages of employees. This fund, held in trust by the Wachovia Bank and Trust Co., now amounts to over $600,000 payable in case of death or total disability or at retirement.

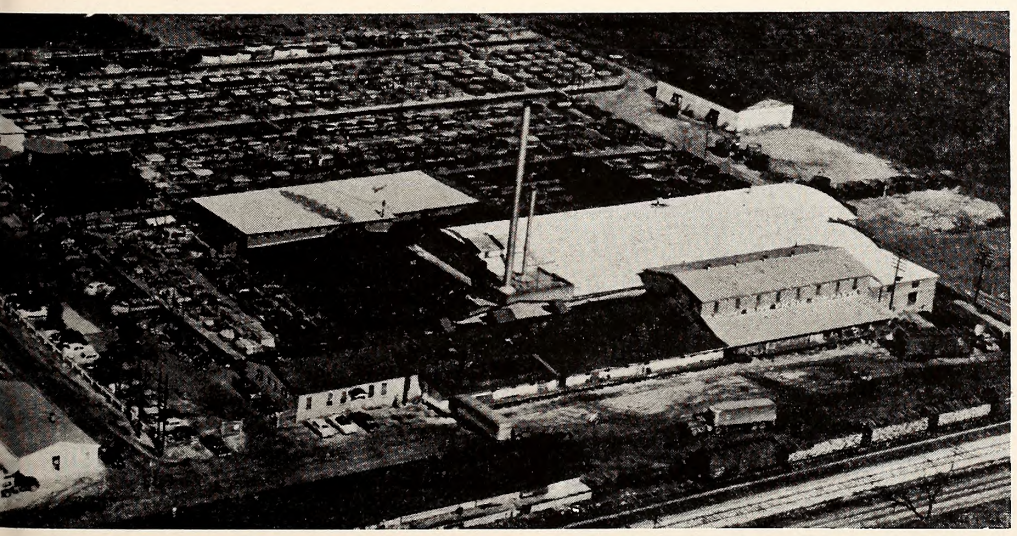
Approximately 115 citizens, mostly from the Mount Olive community, are stockholders in the Mount Olive Pickle Company. Officers and directors are all Mount Olive citizens and include Dr. C. C. Henderson, president (inactive); S. L. Warren, vice-president (inactive); John N. Walker, secretary and treasurer and general manager; and J. Ben Parker, superintendent and production manager. Other directors are Byron Bryan, plywood manufacturer; and William Wilkins, farmer.

John N. Walker is currently serving as president of the National Pickle Packers Association.

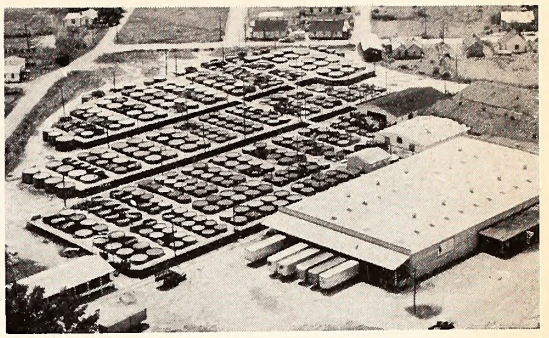
Frosty Morn Meats, Inc., came into existence in June, 1950. There have been three major expansion programs since then. The Company slaughters and processes hogs and cattle, animals purchased primarily from eastern North Carolina farmers.

Frosty Morn also processes approximately 150 meats including such items as smoked hams, smoked picnic hams, sliced bacon, fresh and smoked sausage, franks and bologna.

Employment of the company includes approximately 185 people, and its trade area is within the mid-Atlantic states, primarily within a 200 mile radius of Kinston.



Aerial view of the Mount Olive Pickle Company showing brining tanks in the background. The plant includes 18 acres with approximately 150,000 square feet of production space. Open air brine tanks number 800 and each has an average capacity of 700 bushels of cucumbers.



Lutz and Schramm, Ayden, N. C.

LUTZ & SCHRAMM EXPERIENCED IN PICKLE BUSINESS

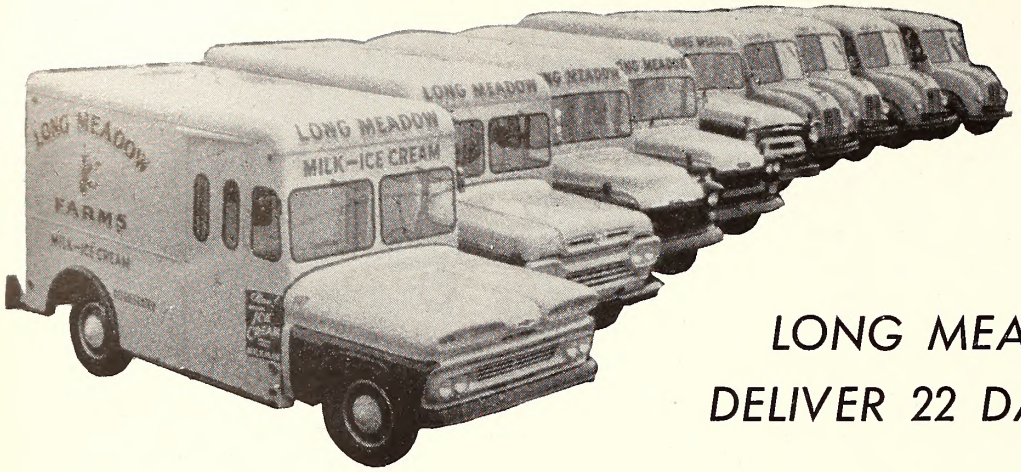
The time: 1884. The place: Millvale, Pennsylvania. The Lutz brothers went into the pickle and kraut business.

In 1900 the company was incorporated at Lutz and Schramm, and 52 years later the company began operations in North Carolina in the small eastern community of Ayden. At that time the plant produced approximately 40 percent of the total sales of the company, and in October, 1958, Lutz and Schramm became a division of Beatrice Foods Company, Chicago.

Today all pickle and relish products of Lutz and Schramm are processed, cured and packed in Ayden's factory, a plant covering over 8½ acres. On a year-round basis the company employs 100 persons with an additional 100 or more added to the payroll during the peak intake and production session each summer. Products from the Ayden factory are shipped into 20 states which cover an area from Canada to the Gulf Coast, from the Mississippi River to the Atlantic Ocean.

Executive vice-president and General Manager of Lutz and Schramm is Curtis N. Cavileer, a man who has over 14 years of food processing background. William G. Griffith, with 26 years experience, is plant superintendent.

Management says, "The pickle industry is an enviable part of the food processing field as it has experienced a continued growth every year since 1939. Lutz and Schramm takes great pride in its products and is proud to be an expanding food processing industry in North Carolina that can so adequately compliment the State's fine agricultural program."



LONG MEADOW FARMS DELIVER 22 DAIRY PRODUCTS

By U. P. McLAURIN

Public Relations Director

Long Meadow Farms, recognized as one of the leading home-owned dairies in North Carolina, is located on 15 acres of land in the southern portion of Durham. The modern plant, the new general office building, the up-to-date garage and paint shop, combined with the tremendous sales growth of the company over the last decade was attained under the direction of R. B. Davenport.

The plant, in all divisions, provides employment for more than 200 men and women. One hundred and four salesmen, working with a 100 percent refrigerated truck fleet, deliver Long Meadow products in the 15-county central Carolina service area to more than 30,000 regular customers.

Long Meadow Farms is owned by 123 farmers. Their farms are within an hour's drive from the processing plant. They own approximately 4,000 cows, representing an estimated investment of about $2,000 per cow. Great concern is taken by these dairymen in the treatment of their animals and much time is spent in growing the feed and preparing the right type of ration for these cows.

Barns are neat and clean. They are roomy, arranged for easy housekeeping. The milking parlor shines with cleanliness. Milking machines are stainless steel. Milk pipelines are glass and you can see the pure, clean milk on its way to sterilized refrigerated holding tanks ready for the regular pick-up by the refrigerated transport tankers.

The complete plant is designed for the ultimate in automation and cleanliness. The all fire-proof structure has concrete floors covered with brick tile contoured for easy, efficient cleaning. Special pipelines are used to handle the milk all the way from the cow to the milk container—being processed along the way. Twenty-two products are formulated to customer needs and specifications.

The machines involved in the handling of these many products are very complex, very modern, and the latest available to date. There is rigid laboratory control of all products from Long Meadow suppliers.

Long Meadow is the largest producer-distributor of total dairy products in this service area, and first in the state in the production and sales of Golden Guernsey Milk.

Other products produced and/or manufactured for distribution are: whole lactic buttermilk, golden flake buttermilk, vitamin mineral whole milk, fortified skim milk, whole chocolate milk, homogenized vitamin D milk, half & half cream, whipping cream, cottage cheese, sour cream (salad), dip & chip (spread), orange juice (pure), egg nog (in season), butter, eggs, orange drink, grape drink, lemonade, ice cream, ice milk, and sherbet. All Long Meadow milk is Grade A.

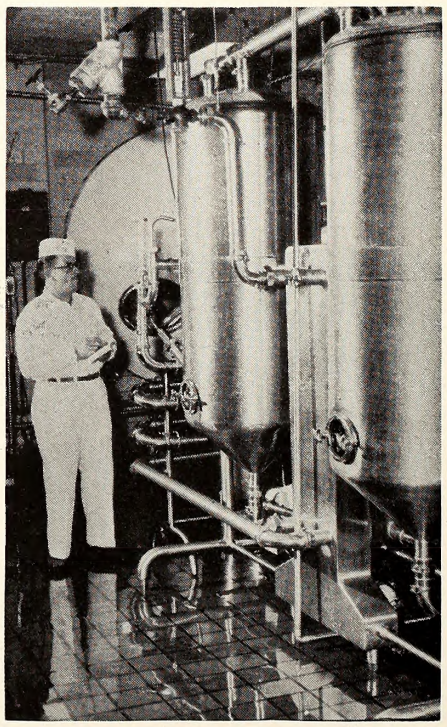
Long Meadow Dairy was founded in 1915 by Y. E. Smith, a textile manufacturer. The dairy was a hobby for Smith for a number of years. At his death in 1939, the company was continued under the supervision of named trustees. These trustees elected to sell the accounts receivable, plant equipment, truck fleet, and the name, "Long Meadow Dairy" to George Watts Hill, a well known banker and industrialist of Durham. He employed R. B. Davenport as General Manager. Davenport came to Long Meadow after 12 years experience with Pet Milk Company in Tennessee, Maryland, Delaware, South Carolina and North Carolina.

On October 11, 1947, Hill purchased the entire Durham facilities, plus accounts receivable of the Pet Dairy at 1820 James Street, and merged the two plants under the name of Long Meadow Dairies at the James Street location.

Mr. Hill sold Long Meadow Dairies of Durham and Elko Dairy of Roxboro to the Farmers Dairy Cooperative, Inc. of Chapel Hill in October, 1949. This was something new for the Long Meadow organization—selling instead of buying. So, let's review the Farmers Dairy Cooperative prior to this purchase.

The Farmers Dairy was chartered on April 4, 1944. Six dairy farmers were the original incorporators along

—See MEADOW, page 38—



Plant Superintendent Vernon Weaver inspects the De Laval Vacu-Therm pasteurizer, the first such unit installed in the southeast and one with a capacity of 25,000 pounds of milk per hour. Laboratory control is rigid.

Holly Farms Poultry

The State's Largest Broiler Processor, This Wilkes County Industry Can Dress and Pack 150,000 Birds Per Day

By PETE LOVETTE

Assistant Sales Manager

Holly Farms Poultry Industries, Inc. of Wilkesboro is the largest integrated broiler production organization in North Carolina and is probably one of the five largest in the nation. The organization, as it now exists, is a result of a recent merger of 16 companies located throughout western North Carolina.

But what's behind the name, "Holly Farms?"

In 1947, a group of Wilkes County businessmen foresaw a trend in the poultry industry—a need for a local processing plant where they might make their own poultry "ready to cook" before shipping it to terminal markets. These businessmen formed a corporation called Wilkes Mountain Poultry Products, Inc., to serve as a processing facility for Wilkes County poultry. The initial eight-hour capacity was 5,000 non-inspected birds. In early 1950 management changed the plant facilities to meet USDA requirements for processing government-inspected poultry, thus allowing many new markets to be developed. In August, 1951, there was an ownership reorganization and the existing corporation was replaced by Holly Farms Poultry Company, Inc. Additional equipment was installed at periodic intervals resulting in steady increases in production, a lot to fill government contracts. Live poultry supply to meet the growing demand was an extreme problem to this firm in the early '50's. In 1953, C. Fred Lovette, one of the largest live poultry dealers in North Carolina, purchased controlling stock in Holly Farms and eliminated, for a short period of time, the live poultry supply problem.

Soon Outgrown

Immediately a program of expansion and modernization began which was designed to improve the efficiency of operation and quality of processing. Popularity for the Holly Farms brand grew steadily and by 1955 had outgrown the Wilkes County live poultry growing capability. Because additional plant facilities were needed, a branch plant was opened in Winston-Salem. This plant had an initial capacity of 15,000 birds per day. In an effort to continue the rapid development of the poultry industry in northwest North Carolina, an additional 15,000 capacity branch plant was leased in 1957 in Hiddenite. Now the firm had a three-plant capacity of 100,000 birds per day.

In the meantime, an intensified program for increased grower production was undertaken for the Wilkes area in an attempt to grow locally all of Holly Farms live poultry. The goal was reached and management decided to close the Winston-Salem and Hiddenite plants and increase capacity in the Wilkesboro plant to 100,000 birds per day in that plant alone. So, in 1960, once again, the entire Holly Farms operation was back under one roof. Since that time, further expansions have brought the total eight-hour day capacity to 150,000 birds, 30 times the initial capacity of the plant when it was started 15 years ago.

The 16-company merger was in October, 1961. The merger made Holly Farms a completely integrated food processing and producing firm. "The fact that we merged does not automatically insure success," one of the Holly Farms officers was frank to admit, "but it certainly strengthens our position and should enable us to be highly competitive with other broiler enterprises." Management and supervision of the component companies remain individualistic. However, the merger gave the advantage of forming a team of hand-picked specialists, all working toward the same goal—the will to produce superior poultry meat. The merger, of course, provided for lower operation costs, better quality control, more flexibility and individual effort in marketing, and less red tape in reaching business decisions.

Continual Testing

All breeding stock for producing broiler chicks is, along with other phases of production, under tight quality control. All baby chicks come from a controlled source. Nutritional research is conducted by skilled technicians in a fully equipped laboratory. There is controlled buying of all grain and poultry feed ingredients which are processed through the feed mill.

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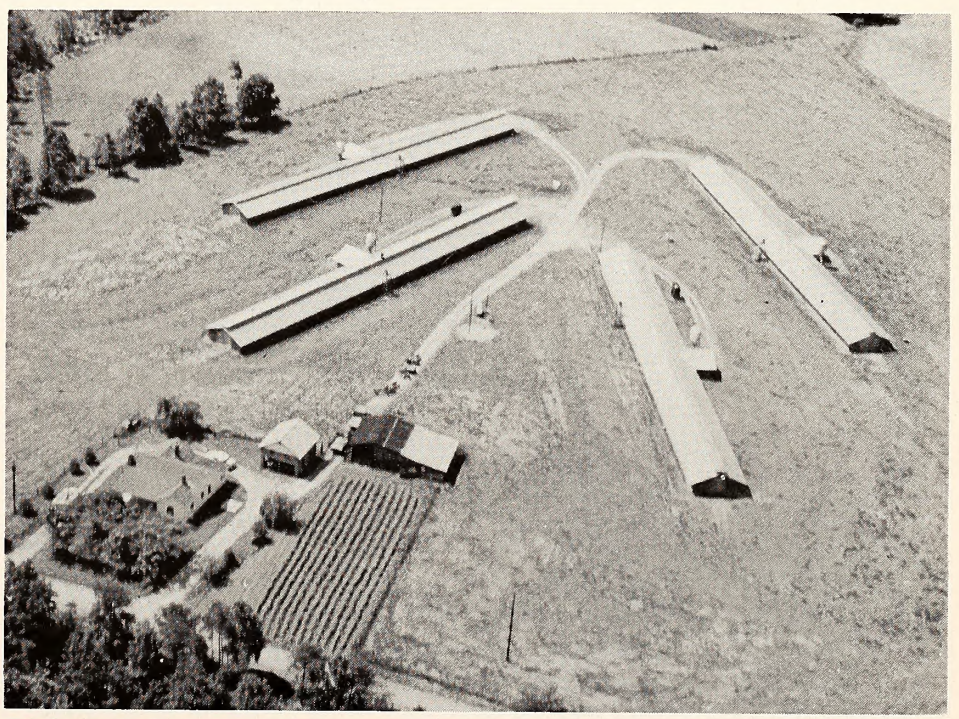
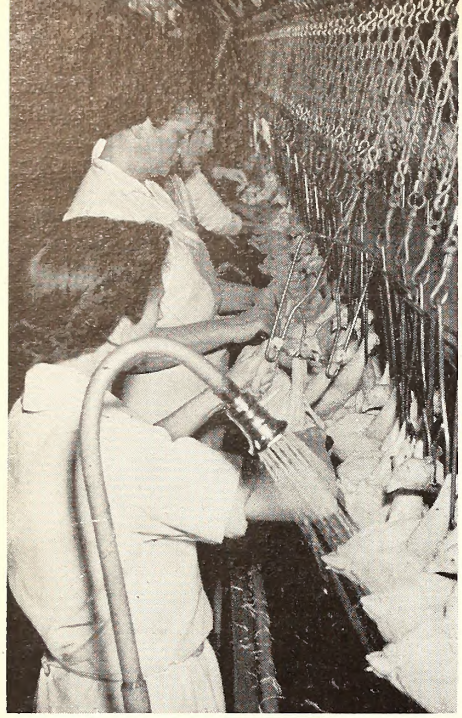


This is a typical company-owned farm where 28,000 fryers are grown to maturity in nine weeks. A 16-company merger in 1961 made Holly Farms a completed integrated poultry operation.



Fryers at the Holly Farms processing plant are washed with at least eight gallons of water per bird as they pass through various stages of cleaning on the processing line.

The feed mill is the nutritional hub of the firm. It turns out breeder and broiler feed for the entire organization at the rate of over 3,000 tons per week. Through its own grain buying and hauling subsidiary in Ohio, Mocksville Feed Mills uses midwestern corn eight months of the year, and nearby markets supply grain during the four months which it is available. All grain is purchased on rigid specifications. Every ingredient is thoroughly tested in the research laboratory before it is included in the finished rations. Testing of new products and new formulas is done continually on the mill's experimental farms.

Approximately 130,000 breeder hens provide eggs for the company-owned hatchery—one-third are on company farms, and the balance come from independent flock owners who regularly supply the Holly Farms plant. Holly Farms Poultry industries employ over 1200 people. A staff of experienced servicemen (specialists in advising farmers on techniques of broiler "grow-out") headed by a pathologist with the facilities of a diagnostic laboratory, provide the supervision and guidance which virtually assures higher-than-average quality broilers from the companies' 1100 contract growers who provide the plant with 95 percent of its requirements.

Step-By-Step

One of the most interesting phases of the Holly Farms Poultry Industries operation is the processing plant. The Holly Farms plant has an hourly capacity of 14,000 birds, making an eight-hour average (for one and one-third shifts) of 150,000 birds. During the record slaughtering week, the plant processed over 825,000 birds. At this rate, the plant could provide one chicken for every person in St. Louis and still carry an inventory of 75,000 birds. Every stage of work within the plant is as automatic as possible. Automatic scalding aids in defeathering. There is a series of six defeathering machines which render the birds virtually bare of feathers, without a single feather being pulled by hand. There are various stages at which the bird is thoroughly washed using eight gallons of water per bird. In addition to city water, the plant uses six wells to provide 1,200,000 gallons of water each day. It is necessary to chill meat to approximately 35 degrees to preserve it during the time lapse between slaughter and consumption.

As an integral part of the plant, there is a cold-water producing system which performs this task without the use of a single pound of ice. However, a considerable amount of ice is required in the packing and shipping of fresh poultry. The plant consumes the complete production of a 40-tons-a-day ice plant plus 20 tons of ice produced each day by an on-premises ice maker. Under the continuous supervision of the USDA, two licensed veterinarians and 12 lay inspectors individually inspect every bird for wholesomeness before it is allowed to be packaged for shipment. In addition, the plant employs a veterinarian to head its quality control program. The plant is diversified in that it not only ships whole birds but individual poultry parts.

Some parts are in greater demand than others and the surplus items, along with other special orders as the demand requires, are frozen in three blast freezing rooms at a temperature of 40 degrees fahrenheit below zero.

These rooms have a total capacity of 24,000 pounds per 12-hour cycle. When the quick freezing process is finished, the meat is transferred to a 500,000 pound capacity hold-room and held there at zero degrees fahrenheit.

25 Truck Loads

An average day for the shipping department is 14 tractor-trailer loads of 21,000 pounds each, plus 15 straight truck loads of 10,000 pounds each of finished poultry products.

All inedible offall is flowed in under-the-floor troughs to a terminal room where it is conveyed to bulk trucks which carry it to a rendering plant 40 miles away.

Over 65,000 square feet are required to accomplish this tremendous task and new plans are continuously on the drawing boards for additional footage to accommodate the "ever growing" trend at Holly Farms. The plant now employs in excess of 750 people, the largest individual employer in Wilkes.

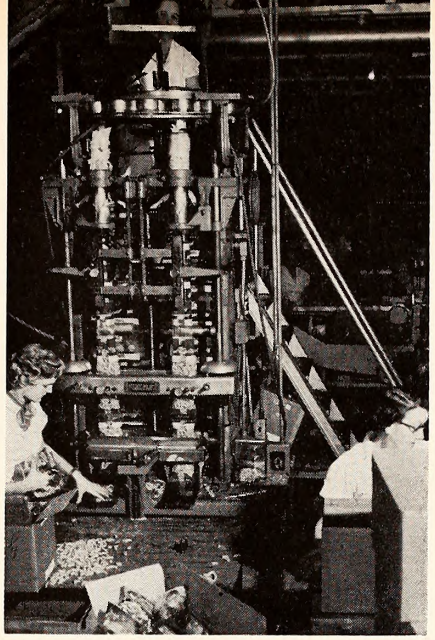
While Holly Farms poultry regularly reaches many important consumer markets in the United States and does a limited amount of export to Europe, the company desires to expand its distribution closer to home. Aproximately 35 percent of total production is now consumed in the two Carolinas and Virginias. While some poultry is sold to chain stores, the majority is handled through distributors and sold to independent grocers, small chains, restaurants and hotels. Nearly 94 percent of the plant's output in 1961

—See HOLLY, page 43—

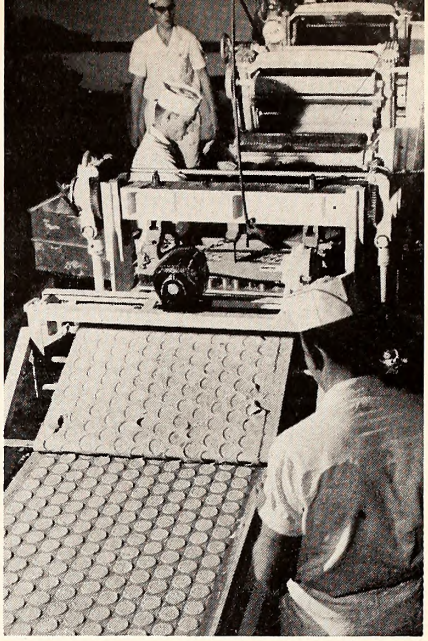
The automatic sizing machine separates birds which will be shipped in quarter-pound sizes. The Holly Farms plant has an hourly capacity of 14,000 birds. During a record setting week, the plant processed over 825,000 fowl, and every stage of operation within the plant is conducted automatically if possible. The plant includes 65,000 square feet.

"Taylored To Taste"

Millions of Sandwiches, Chips, Crackers and Cookies



Pockoging "Toylared to Toste" peonuts ot Cory's Toylar Biscuit Compony—port of its ossembly line pracess. All peonuts ore purchased fram eostern N. Corolino counties.



Cookies by the thousands. A lorge hopper filled with dough supplies this mochine, ond o cutting template stamps aut cookies. Toylar olso supplies other companies.

Step through the doors into the assembly room at Taylor Biscuit Company and you're struck by the warm, sweet smells of baking.

From fresh dough to packing table, the plant operates an assembly and packaging line which delivers millions of sandwiches, chips, crackers and cookies, placing it "about the second largest biscuit company in North Carolina," according to vice president, Guy Beattie.

Located on U. S. Highway 1 near Cary, N. C., Taylor Biscuit Company began operations in July, 1947.

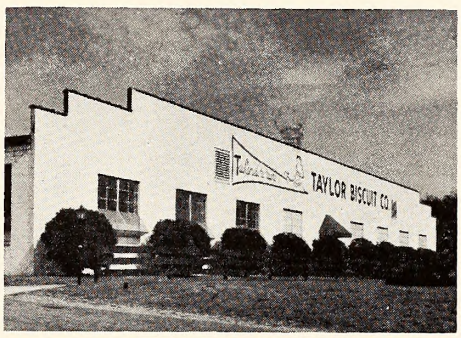
Under the leadership of president Cooper E. Taylor, and vice presidents Beattie and Bern F. Bullard, the company has had a steady growth in the manufacturing and distribution of Taylor's "Taylored to Taste" peanut butter sandwiches, peanuts, cookies, and potato chips which are distributed from Canada to the Gulf Coast.

Taylor Biscuit Company operates a modern bakery to bake crackers used in the manufacture of peanut butter and sweet-filled sandwiches, using the most modern equipment available. And there are many varieties of cookies prepared by the company.

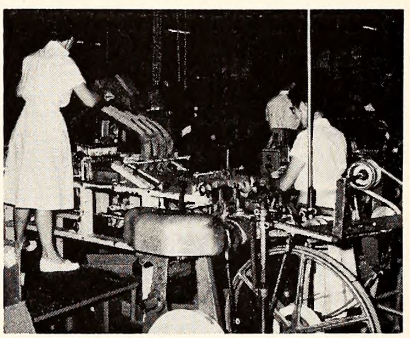
Taylor processes the peanut butter used in its sandwiches. Salted peanuts are also processed in Taylor's plant and all peanut products are purchased from growers in eastern North Carolina.

The company products are delivered to approximately 100 distributors in North Carolina, South Carolina, Virginia, Maryland, Delaware, and the District of Columbia by company owned trucks.

Employing about 200 people from Wake, Johnson, and Durham counties, Taylor Biscuit Company has a payroll of about $750,000 each year.



On U. S. Highwoy 1, the Taylor Biscuit Campony affice building and plont began its aperotians in 1947 ond is repartedly the second lorgest such compony in the Stote.



Here, coakies ore pockoged far final shipment. The Taylor Company ships a variety of snock faods which ore distributed to paints from Conodo to the Gulf Coost.

Demand Too Great For Chowan's Best Roe

By L. D. PERRY

Perry-Wynns Fish Co., Colerain, N. C.

In 1953, Leo Wynns and L. D. Perry became partners and formed the Perry-Winns Fish Company. The Company is situated on about two acres of land and water in Colerain, N. C., and is known as the largest fresh water fishery in the world. The Company consists of three large houses, two canning houses and two fish scrap factories.

During the Spring of 1962, Perry-Wynns Fish Company caught and processed the following amount of seafood:

Herring	13,172,072
Roe Shad	2,035 lbs.
Buck Shad	7,847 lbs.
Rock	3,988 lbs.
Roe Jacks	666 lbs.
Mullets & Carp	8,645 lbs.
Perch	65,763 lbs.
Catfish	19,987 lbs.
Canned Herring	4,000 cases
Canned Roe (15 oz. cont)	1,800 cases
Canned Roe (8 oz. cont.)	14,450 cases
Fish scrap	270 tons

During peak season we employ more than 300 workers at Perry-Wynns. In October the Company started packaging fillets in 8, 12 and 16 ounce jars, about 20,000 cases. Fillets will be packed in wine sauce with onions, peppers and spice. The majority of these fillets will be sold in Chicago where the demand is greater.

All fish and roe which are handled by Perry-Wynns is sold in North Carolina and Virginia. Seventy-five percent of all fish are sold between Durham and Richmond.

Fish scrap is sold in North Carolina and fish oil in Virginia. We cannot supply the demand for our famous Chowan's Best Roe this year.

Tabor City Foods "Packed With Pride"

By JIMMY W. GARRELL
General Manager

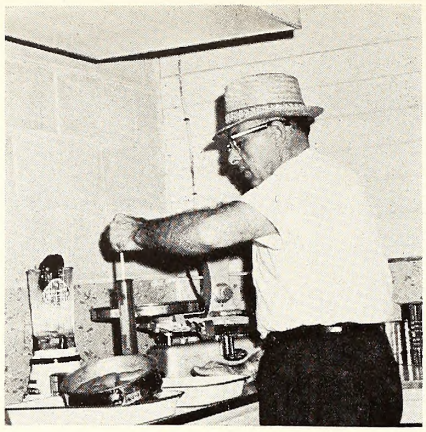
Tabor City Foods, a canning plant, was established in April, 1960, as a diversified food processor and is located in Tabor City, North Carolina.

Its organization was established and finalized through the joint efforts of the Garrell and Cribb families, majority stockholders, by local business, farm interest, and financial assistance. It was truly a successful community effort.

Tabor City Foods' slogan is "Packed with Pride" and the prime objective of this company is to produce a quality product in an efficient manner acceptable at the consumer level. The company realized that in order to achieve customer acceptance, successful management and public relations must be top level.

Top level management of Tabor City Foods is Mrs. Doris W. Garrell, President and widow of the firm's first chief executive (active); Vice President Troy H. Cribb; Secretary and General Manager Jimmy W. Garrell; and Assistant Secretary and Director of Finance and Planning Kenneth Cribb. This group is supplemented by sales manager Tally Eddings, plant manager Arthur Carterette, warehouse manager Cortis Long, office manager Janie B. Bell, and Ed Norris, buyer in charge of field operations.

The plant is in operation between April and December with frequent operations outside this zone of activity. Yams (sweet potatoes) freestone peaches, green beans, white potatoes, Dicksie Dinners (beans and white potatoes), and juice drinks (Tru-Ade), are produced during these months in which the plant is in operation. These items are packaged under constant inspection from processed-foods representatives of the USDA, the first-knows fruit and vegetable processed surveillance by the USDA in the Old North State. Tabor City Foods is proud to be a leader in this pronounced trend.

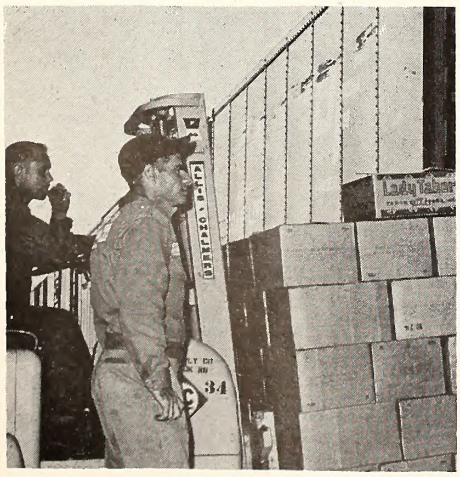


A USDA inspector checks syrup consistency at the Tabor City Company. The plant employes about 250 people, and was established in 1960 as a diversified food processor.

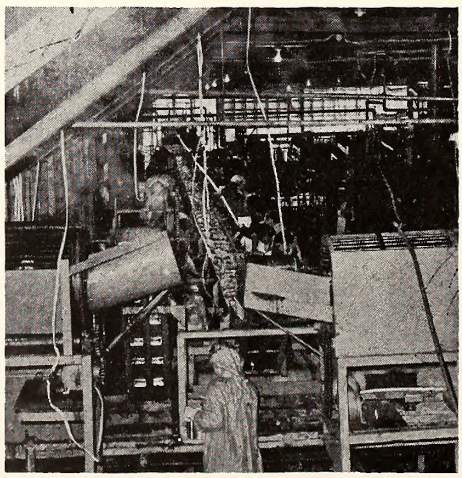
"Dicksie" forms the nucleus of labels under which the above items are merchandized in 20 states and the District of Columbia. This wide distribution occurred in less than two years of intense effort by the sales department. This is expressed more clearly by sales exceeding one million dollars.

The physical plant and storage houses utilized by the firm consist of 85,000 square feet of floor space which does not include special warehouse facilities when needed. At the peak of its activity, it provides employments for over 250 people and disbursements of more than $250,000 in wages. The processing firm pays farmers approximately $400,000 for raw materials during the canning season.

Tabor City Foods is proud of its progress in the most competitive industry of all—food processing. Throughout the company's existence, it realized that to go forward, the business acumen must be superb.



"Lady Tabor" on the road. The Tabor City company operates primarily between April and December, distributing to 20 states.



Over 85,000 square feet are included at the Tabor City Plant. Sales last year of processed foods exceeded one million dollars.

Special Cabbage Best For Making Watauga Kraut

By W. F. MILLER, JR.

Packers of Watauga Kraut, North State Canning Company, Boone, North Carolina, was organized in 1924 as a cooperative venture by a group of Watauga County farmers to provide a wider market for their cabbage crops. The plant, was operated for about two years and then remained idle until 1928 when W. F. Miller, who had been operating a blackberry cannery in Wilkes County, leased the facilities.

After a year's operation he and his partners, believed they were packing a quality product so they purchased the cannery in 1929. The steadily growing business was managed by Miller until his death in 1937 and then his son, W. F. Miller, Jr., assumed the duties of manager. Stockholders in the company are Mrs. W. F. Miller, Sr., W. F. Miller, Jr., of Boone, Dr. H. B. Perry, Jr., and Miss Gertrude Perry of Greensboro.

The company began an expansion program in 1960 when it purchased the equipment of Wood Canning Company, former packers of kraut. The additional equipment was moved to the Boone plant increasing their kraut packing capacity to about 2,000 tons.

Another warehouse was also built during the summer of 1960 and the following year a spacious canning building was completed. Future plans are to erect a new building to replace the one now housing the kraut vats.

The North State Canning Company contracts a special type of cabbage proven best for making kraut. Watauga County is an ideal location to procure top-notch quality cabbage as the cool mountain climate, abundant rainfall, and rich soil produces choice cabbage. A majority of the farmers from whom they contract their cabbage have been contractors for many years and are considered expert cabbage growers.

Cabbage harvest usually begins in August and continues through October. The contractor trims the loose outer leaves from the cabbages as they are cut in the fields. When they are received at the cannery they are inspected, and any remaining loose leaves are trimmed before they are machine cored and conveyed into the cutting machine. The chopped cabbage is then conveyed into huge vats, ranging in capacity from 25 to 50

tons, where it is packed with pure salt to insure proper fermentation. As each vat is filled, it is carefully covered, and the cover weighted to keep the cabbage submerged in juice until the proper acidity is reached and the kraut is ready for processing. At that time the kraut is removed from the vats to a device which pre-heats the kraut before the cans are filled by an automatic filling machine, then capped and conveyed through a continuous cooker and into a cooler.

After cans are processed and properly cooled, they travel by track to the labeling machine. They then are cased and conveyed to the warehouse where the cartons are readied for shipment. Watauga Kraut and Watauga Kraut Juice sales are handled by brokers in several southern states.

When the North State Canning Company was first organized, kraut was more or less considered a wintertime dish, especially popular with pork, but the modern housewife today finds it a versatile, nutritious food to serve all year long in many different ways.

There is also a greater demand each year for the Watauga Kraut Juice canned by the Boone plant.

Onslow Wine Cellars, Specialists In Scuppernong Wine

By RAYMOND HARTSFIELD, SR.

Onslow Wine Cellars is a family farm operation.

It was created to utilize our grapes and those of our neighbors. We had our farm product—scuppernong grapes—but not a profitable market.

Before we started winemaking, scuppernong grapes brought the producer five cents a pound when a market could be found.

Today, because of the winery and an increasing demand for scuppernongs, grapes are in good demand at ten cents a pound and sometimes bids are higher.

Scuppernong wine is the highest priced grape wine in the world, very profitable to North Carolina grape growers.

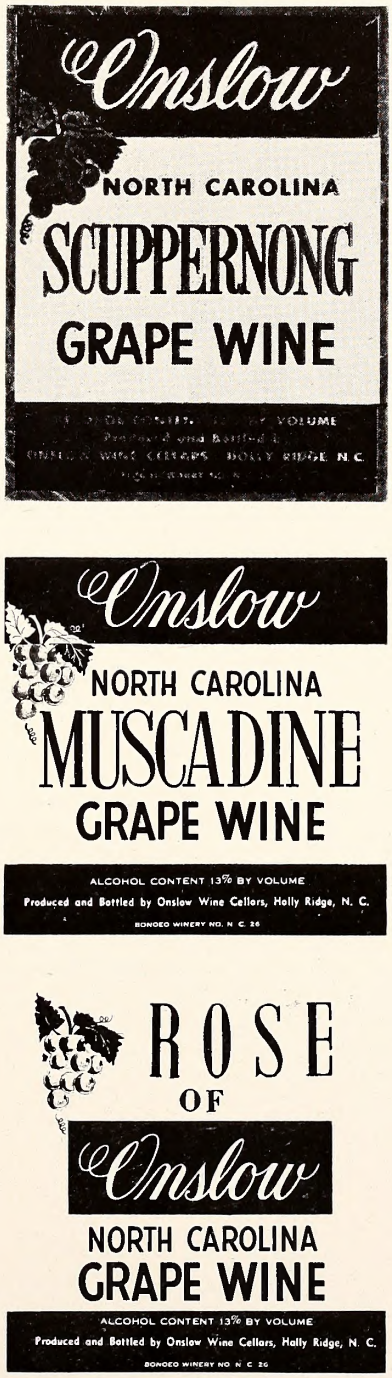
Onsolw Wine Cellars specializes in the production of home-style scuppernong grape wine. We also produce Muscadine and Rose, all fermented from North Carolina grown scuppernong type grapes and sold under the brand name, "Onslow."

Our winery is complete.

We can crush, and press grapes, ferment the juice, age and bottle the wine for distribution.

We have a fermenting capacity of 12,000 gallons and aging capacity of 23,000 gallons. Bottling capacity is 300 cases per day. We have facilities to increase our capabilities when the grapes are available.

Wine is very definitely defined as a food, and is sold as a food. It is said to contain 13 food elements in addition to the alcohol content. It's very beneficial and entertaining.



Here are the three labels used by Onslow Wine Cellars — Suppernong, Muscadine, and Rose. All wine is fermented from North Carolina produced grapes and sold under the Company's brand name "Onslow."

50,000 POUNDS OF CANDY

By JOHN H. WELLONS

The origin and growth of Wellons Candy Company, Dunn, North Carolina, is typical of the possibilities and potentials of this great land of ours. John H. Wellons was born in Micro, North Carolina, a small town in Johnston County, and was reared on a farm. He graduated from Micro High School in 1937. His first employment was clerk at the Hinnant Drug Store in Micro, followed by employment in the advertising department of Proctor & Gamble. It was here that he became interested in the candy business and organized a candy route in eastern North Carolina.

This candy route was short-lived, however, due to the cordial invitation received by so many young men in 1941 to join Uncle Sam's Army. Wellons was discharged the same year with a medical discharge. He returned to selling candy until 1943 when he purchased a small candy plant in Dunn, North Carolina.

At this time, he employed four people.

The Company immediately began growing and within one year it became necessary to relocate to larger quarters. Within two years the volume of business made it necessary to relocate for the second time to larger quarters.

By 1948, Wellons realized that with the present growth a larger building was necessary, and this endorsed the idea for the present building which is

(Continued)

The "enrober," one of many high-speed machines, can coat about 15,000 pounds of chocolate drops, or "old fashioned creme drops" per day.

located approximately one mile north of Dunn.

Today, Wellons Candy Company is one of the largest candy companies in the South, enjoying abundant sales, with approximately 200 employees and an additional 40 sales personnel.

Wellons Candy Company enjoys a continuous growth through various outlets. The Company is represented by 38 brokers (manufacturers representatives) who call on jobbers and wholesalers in over 38 states and five foreign countries.

The Company has a bag line of candies consisting of 40 items that are sold to chain stores under the name of BoPepe Candies. They have packages designed for fund-raising groups.

A few of the items manufactured by Wellons Candy Company consist of various marshmallow items—such as marshmallow peanuts, bananas and vegetable assortment; gum drops, orange slices, sour balls, stick candy, mint pillows, suckers, Christmas Hard Mix, chocolate drops, several five and ten-cent bars, and many other items that make Wellons Candy Company one of the largest general line houses in the Southeast.

It might be interesting to know that the "enrober," which is a machine used to chocolate coat various types of candies, is capable of turning out 8,000 pounds of candy each eight hours. Modern high-speed G.D. machines made in Italy are capable of turning out over 336,000 fruit balls in eight hours.

When running full capacity, which is two eight-hour shifts, the entire plant is capable of turning out 50,000 pounds of candy a day or 10,000,000 pounds a year.

Wellons is very active in various civic and church activities. He is very enthusiastic over the potential for Wellons Candy Company in the near future, since many new avenues are opening up that promise an even greater growth.

Ralston Purina Company has three major manufacturing facilities in North Carolina. "Chow" plants are located in Charlotte and Wilson and a soybean processing plant is located in Raleigh.

The Charlotte Chow plant has been in operation since February, 1958. Manager of the plant is G. M. Brauch. The Wilson plant commenced operations in December, 1958. Its manager is F. W. Kessler, Jr. The Raleigh soybean processing facility was acquired by Purina in December, 1958.

Approximately 193 persons are employed in the three N. C. plants.

Ralston Purina Company Now One Of World's Largest Feed Producers

From Checkerboard Square, St. Louis, Missouri

The history of the Ralston Purina Company is a business story of growing big by remaining small, of producing basic ingredients for better human lives by revolutionizing the lives of animals and poultry that make human food.

The Ralston Purina story cannot be separated from the dramatic development of animal agriculture in this country. When the Company was founded in 1894, animal agriculture was hardly in its infancy. There was little science in the feeding of poultry, beef cattle, dairy cattle, swine or any other live stock or poultry.

Making wide use of scientific formula feeds and informed management methods, farmers today are turning out livestock and poultry products with assembly-line efficiency. Today's feeders of livestock and poultry have become highly capitalized specialists.

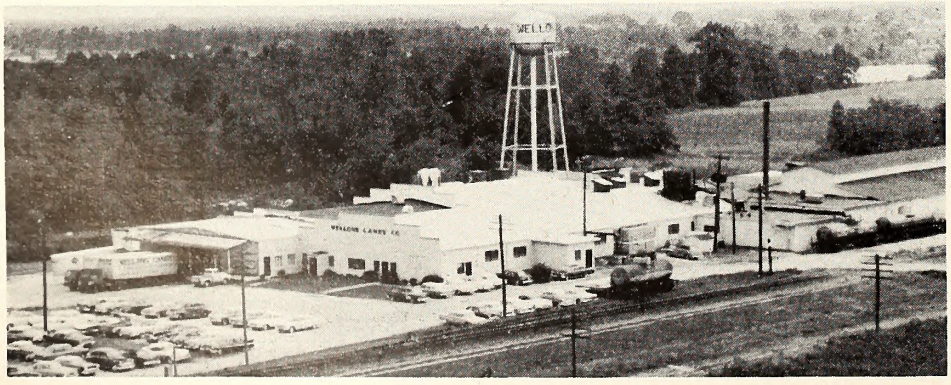
The commercial broiler industry has come up from a by-product of farm backyard flocks to an annual business worth more than a billion dollars. Modern egg factories consisting of thousands of hens in individual cages now produce quality eggs for ever expanding markets. Similar advances have come in livestock and dairy production. The general public has benefited by having higher quality food in greater abundance than ever before, and a major force behind it has been the growth of the commercial feed industry.

The original product of the Ralston Purina Company was a feed for horses and mules because with the exception of hay there were only two kinds of horse and mule feed known—corn and oats. As a suitable feed, corn and oats had shortcomings so a demand for a more satisfactory ration grew. The Purina answer was a ration consisting of a mixture of oats and ground corn, with a little molasses mixed in for palatability.

In those days feed manufacturers did not know too much about nutrition. Main justification of the industry was on the basis of convenience to the farmer. During that time, the feed industry and Purina experienced only a modest measure of growth. But by 1905, a sceond Purina plant, located in St. Louis, had been put into operation. By 1918, the third, fourth, and fifth plants had been added at Buffalo, Nashville, and Fort Worth. By the 1920's new knowledge of animal nutrition had been learned in colleges and other research stations. Vitamins were discovered. Discoveries of science were brought to feed lots and poultry houses in the form of commercial feeds. Gradually, formula feeds became more than a matter of convenience to farmers, and it marked the birth of the feed industry as it stands today.

By 1940, the Ralston Purina Company had added Chow plants in 14 more cities from Montreal, Canada, to Lubbock, Texas.

During the succeeding years there was a dramatic expansion. Over 60



The Wellans Candy Company plant in Dunn. Employing about 240 persons, the company sells ta brokers wha represent aver 38 states and five fareign cauntries. When running at full capacity, which is twa, eight-haur shifts, the Wellans company is capable of turning out 50,000 pounds af candy each day, ar about 10 million pounds per year. Management of the Dunn candy operatian reports the Wellans Campany is ane of the largest general line candy houses in the southeast. It maved ta larger quarters in Dunn in 1948, its second relocatian to gain spoce.

Chow plants now "checkerboard" the United States, Canada, Mexico, South America and Europe, and there are others being planned. The far-flung Purina organization includes nine soybean crushing plants, five Ralston Division plants to manufacture cereals and Ry-Krisp, one sanitation-farm supply factory and five research units.

The Company's annual volume of business places it among the country's one hundred largest corporations, and has earned it the undisputed leadership of the commercial feed industry. Annually about five million tons of Purina Chows go into the production of meat, milk, and eggs. This growth, from a business originally hitched to the appetite of a horse, has been a result of a number of business polices peculiarly characteristic of the Purina organization.

Each of Purina's scores of Chow mills is established as a local institution, staffed by local people, and each mill uses, when possible, grains and ingredients grown by farmers of the immediate area. Each Purina mill serves the feeders of its own area.

Extensive Research

The Ralston Purina Company has remained a small business, serving its customers on an almost personal basis. At the same time, the Company has grown large because the whole family of Purina mills has had the many advantages of a central organization and general management at its headquarters in St. Louis. These advantages include the most extensive research organization in the industry, a co-ordinated nationwide system of ingredient buying which results in both quality and economy, a nationwide exchange of production experience and technique, centralized feeder credit and finance, and other procedures developed by experience to give feeders any economic and quality advantage possible.

The Company was founded by the late William H. Danforth, who came to St. Louis seeking an engineer's education at Washington University. After graduation he purchased an interest in a small feed store and subsequently it was reincorporated at the Ralston Purina Company. From the beginning, a major division has been the Ralston Division, devoted to the manufacture and sale of breakfast cereals and other grocery products. The name "Purina," which applies to the "Chow" end of the business, was coined to suggest the purity of ingredients of the Company's feed ingredients.

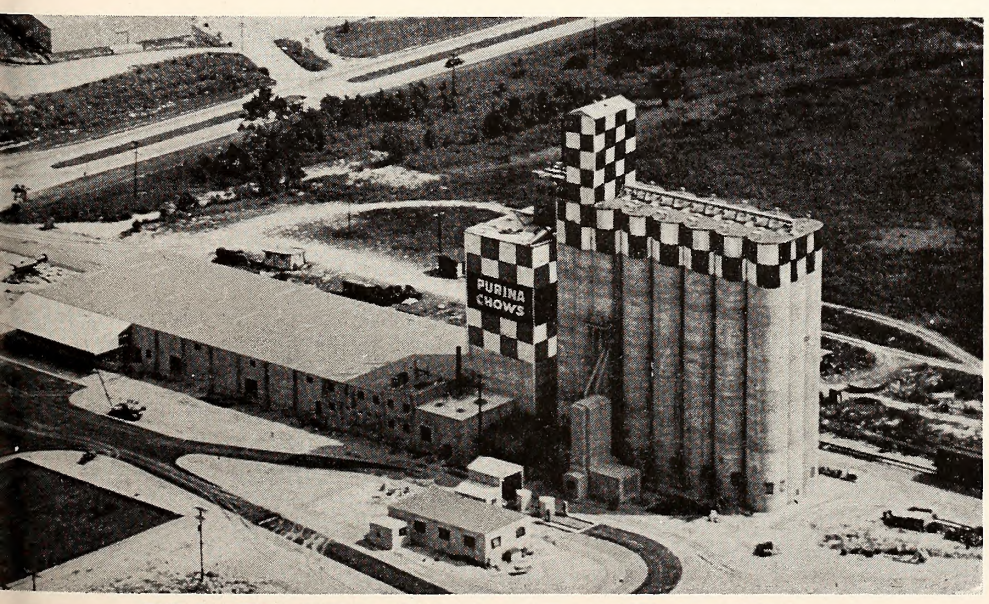
Ry-Krisp Purchase

Later, the Company purchased the Ry-Krisp wafer manufacturing plant and placed its operation in the Ralston Division. Long a national leader in the breakfast cereal field, the Ralston Purina Company now manufactures a complete line of breakfast foods as well as Ry-Krisp.

Danforth and his associates were quick to foresee the tremendous value of trademarks and uniform packaging. In a time when standard packaging was almost nonexistent, Purina bagged feed in sacks marked vividly with a uniform red and white checkerboard pattern. It is now one of the most recognized trademarks in American business. Danforth applied the name "Chow" to Purina rations after he observed the enthusiastic connotation the term brought to soldiers. Thus — "Purina Chows" — known to farmers throughout the U. S., Canada, and other foreign lands.

In 1932, Danforth relinquished presidency of the Company and assumed chairmanship of the Board of Directors. His son, Donald Danforth, who joined the Company in 1920 after graduation from college, took over as president and brought a steadfast confidence in the future of the feed industry and animal agriculture. It was during the depression, but instead of retrenching, the younger Danforth led

—See PURINA, page 65—



THE RALSTON PURINA "CHOW" PLANT LOCATED IN WILSON, N. C.

"Heat-N-Eat" Hush Puppies Pioneered By Davis Milling

By ROBERT DAVIS

The Davis Milling Company was organized in 1926 by the late W. A. Davis to continue the operations of the High Point Milling Company built in 1900. The company originally produced family flour corn meal, serving the retail merchants in a very restricted area within 30 miles of High Point. Later, mixed feeds for livestock and poultry were added on a jobbing basis.

In 1936 the company built a feed mill and initiated the manufacture of a full line of mixed feeds, selling to retail merchants, feed stores, and producers.

Distribution has been gradually expanded over the years, and now includes about three-quarters of the state and parts of Virginia and South Carolina.

The company experienced a disastrous fire in 1944 which completely destroyed the plant. What seemed to be a calamity proved to be a blessing in that a modern plant resulted and is today operating at the highest efficiency, being located centrally in High Point on spacious grounds.

In 1958 the company pioneered in developing and marketing frozen hush puppies which are being successfully sold under the Davis Heat 'n' Eat brand in more than 20 states.

Officers are as follows: Mrs. W. A. Davis, President; W. Paul Davis, Vice-President; Robert Davis, Secretary-Treasurer and General Manager; Messrs. T. R. Carmichael, C. H. Carmichael and J. H. Beamon are superintendants of the various production operations. Farrell Koontz is Sales Manager and Harvey Reed is Office Manager. George Spinett is manager of the Specialty Food Products Division which produces the frozen hush puppies.

GUILFORD DAIRY A $4 MILLION INVESTMENT

In June, 1961, Guilford Dairy celebrated its 30th anniversary. The Association was formed back in the lean years of 1931 when 25 Greensboro dairy farmers decided to form a new organization to distribute their own milk.

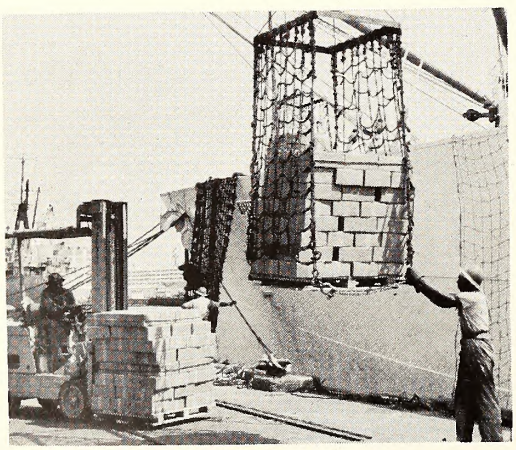
From an original daily production of 400 gallons, the cooperative has grown steadily until there are now 170 members producing 21,000 gallons of milk per day, or 63 million pounds of milk per year. Producing dairy farms are located in Guilford, Alamance, Randolph and Rockingham Counties.

Employing more than 350 people, Guilford Dairy has branch distribution plants in Asheboro, Thomasville, Reidsville and Burlington. It also operates 15 retail dairy bars and maintains a fleet of 150 refrigerated delivery and transport trucks. Guilford Dairy has an investment of more than $4 million and sales for 1962 will be over $8 million.

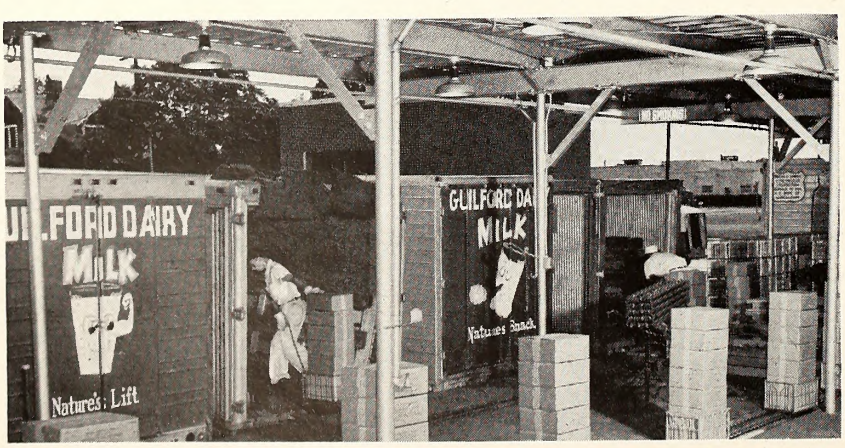
Guilford Dairy has one customer who recently has figured dominantly in the international news—Guantanamo Bay, Cuba. The arrival of leaky or often empty cartons of fresh milk at the U. S. Naval Base in Gitmo Bay brought complaints and a request for the use of a stronger paper milk carton that would not leak.

The request to Gitmo was forwarded to the U. S. Naval Supply Center's purchasing office in Norfolk, which is responsible for this milk supply. After ascertaining that there was sources of supply of milk in plastic-coated paper cartons, a Supply Center purchasing officer asked for such packaging in his next request for bids. The subsequent contract was awarded to Regis Dairy, Norfolk, which is supplied with packaged milk by Guilford Dairy in Greensboro.

Packaged in half-pint containers, milk produced by Tar Heel dairymen is now making the 1300 mile trip from Greensboro to Cuba.



Guilford Dairy milk goes to sea from Norfolk, Va.



Milk is looded in refrigerated trucks for delivery to dockside ot the Novy base in Norfolk for overseos shipment to the Novy focility ot Guontonamo Boy, Cubo.

MEADOW

—Continued from page 30—

with the director-at-large as designated in the by-laws. They were: W. W. Fitzpatrick, Charles H. Lutterloh, H. S. Hogan, H. S. Clark, C. W. Stanford, J. F. Bouldin, and the Director-At-Large, C. W. Tilson. The principal office was in Durham. This corporation was formed to market products of its members . . . dairy products in particular. A modern manufacturing plant was built in Chapel Hill, and G. B. Cline was employed as manager. The first packaged products with the Farmers Dairy label was available to the public in April, 1949. During these two years the corporation had increased its rolls 97 members.

Merger

When Farmers Dairy purchased Long Meadow Dairies, business continued as usual in Chapel Hill and Durham. The Board of Directors, with the approval of the members of the corporation, amended the charter of the corporation: "The name of this corporation is Long Meadow Farms Cooperative, Inc. The principal office of business of this corporation shall be in Durham, in the County of Durham, State of North Carolina". This action was completed on February 1, 1950. R. B. Davenport, manager of Long Meadow Dairies, was employed as General Manager of the new firm, Long Meadow Farms Cooperative, Inc. The trade name, Long Meadow Farms, was approved for easier identification in the company advertising, signs, literature, trucks, etc. It was also agreed to merge all manufacturing and general operations into the one unit at Durham as soon as reasonable. This was accomplished in record time.

Long Meadow has been distributing more than 10,000 gallons of dairy products each day through its plant in Durham with the help of distributing plants in Raleigh, Chapel Hill, Roxboro, Sanford and Pinehurst.

The present organization is under the following management:

R. B. Davenport, General Manager
T. L. Cheek, Jr., Assistant General Manager
Vernon B. Weaver, Plant Superintendent
Ernest Schuchardt, Sales Director
Taylor T. Thorne, Auditor

Board of Directors:

Dr. H. C. Carr, President, Durham
H. S. Hogan, Chapel Hill
Frank Lindley, Snow Camp
T. L. Reeves, Pittsboro
C. W. Stanford, Chapel Hill
Bobby Nichols, Jr., Hillsboro
Robert Moore, Hurdle Mills
C. W. Tilson, Durham

Purifoy's Smoked Fish Tempts The "Discriminating Appetite"

Photographs and Story by Reg Lewis

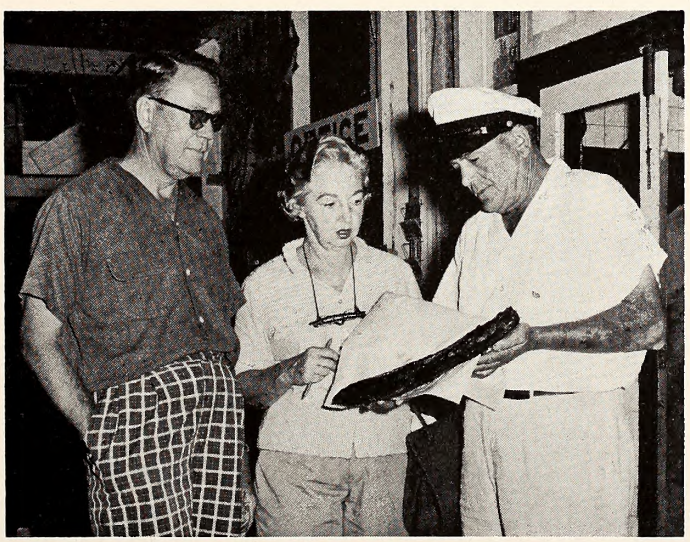
Located on the banks of Coral Bay, just west of Morehead City, stands a 4-by 6-by 8-foot steel box. Its purpose is to smoke fish—a new industry in this part of the State. Many varieties of fish suitable for smoking are caught off Morehead City and prepared for market.

Smoking is a carefully and well-studied method of cooking products of the sea, especially fish which are more suitable for smoking than other seafoods. Although other forms of sea life are smoked, fish are considered best. Shrimp are also very good but require a different method of processing.

This small but highly efficient smoke house is operated by Frank Bear, a former boat captain and fisherman, in cooperation with Captain Ottis Purifoy who pioneered this new industry.

Bear has perfected his own method of smoking fish. After many long hours of testing and carefully checking each phase of the project, he has pinpointed each step with the skill of a true devotee of the art of preparing smoked fish.

Capt. Frank Baer checks the smake hause and prepares ta remave same smaked amberjack, a very deliciaus dish when caaked in this manner. Hickary smake brings aut its flavar, and when dane the fish turns a rich galden brawn. Many varieties af fish are suitable far smaking --- mullet, dalphin, sailfish, and marlin.



Capt. Ottis Purifay explains ta custamers haw ta prepare smaked fish far a seafaad dinner, and the different ways it may be served. Capt. Purifay reparts that smaked fish is a treat at cacktail parties, as a befare-lunch appetizer, ar simply is a "deliciaus TV snack."

Francis Swansen (right) and Walter Fulcher check the weight and packaging af the finished praduct. Each package weighs a paund.

First prerequisite, of course, is fresh fish. They are thoroughly cleaned and salted, and then allowed to set for the salt to strike through. They are washed and then placed on racks. Sufficient time is allowed to pre-dry the meat before placing it in the smoker.

Hickory is burned because this gives better flavor than other wood smoke.

Next step is proper regulation of heat and time of cooking. This is Capn' Frank's well-earned and deserved secret.

When smoking is terminated, racks containing fish are withdrawn and allowed to cool. Placed in containers, they are for sale.

Some of the different varieties of fish which are suitable for smoking are amberjack, mullet, spot, dolphin, marlin, and sailfish. When prepared this way they are delicious.

Most any kind of fish of sufficient size can be smoked. Some, naturally, are better than others, and king mackerel is extremely good.

Captain Ottis Purifoy deserves the credit for having started this form of food processing here on the coast by taking advantage of the many varieties of fish which are suitable for this purpose.

He states that although smoking fish is not a new form of cooking, it is a good way to prepare fish so the consumer may enjoy a different method of presenting a seafood dinner.

Served in this way, with the proper side dish to supplement the meat, smoked fish will tempt the appetite of the most discriminating gourmet!

Cannon Brings Pepper Market To Growers

By LUCI UZZLE

The sweet pepper, red or green, offers an important source of income to farmers in the Dunn, North Carolina, area. And H. P. Cannon & Sons offers an important market for this relatively new crop.

Employing between 80 and 125 seasonal processing workers, H. P. Cannon & Sons is a result of farsighted plans to market the pepper harvest which adds substantially to the local farm economy.

Local businessmen feel that the pepper crop is an industry of importance to the local people, and merchants have felt its benefit through mid-summer buying. About the size of a small fist and reportedly one of the species sought in Biblical times, the peppers are not only appreciated for their cash value but because they are inexpensive and easy to handle and they ripen in a short time.

About 11 years ago county agent C. R. Ammons was contacted by a representative of the Continental Can Company about the possibility of H. P. Cannon contracting peppers from farmers in the area. A market was already operating in Clinton, and it was felt that peppers could be profitably produced around Dunn. Cannon, Joe Echart, and Albert Banadyga talked with the county agent about a survey to determine weather conditions, soil conditions, and the possibility of contracting 500 acres of peppers. Also, an individual or group needed to be found to construct a building which could be leased for processing peppers.

Bob Thompson, CP&L; Al Howard, agricultural delivery agent with the Atlantic Coast Line; and J. B. Gourlay of the Marketing Division of the N. C. State Department of Agriculture, made a farm-to-farm survey and visited possible growers. After acreage was committed, County Agent Ammons recommended that Roy Tew, Sr. direct the new enterprise.

Today, H. P. Cannon & Sons is managed by Roy Tew, Jr. who succeeded his father when the elder Tew died. Roy Tew, Jr. is a graduate of N. C. State College in Agriculture.

The farmer contacts the cannery prior to harvest to determine best time of delivery. There is no waiting nor special handling. Peppers are simply picked, delivered in trucks, weighed and emptied into waiting crates. And, the farmer receives payment.

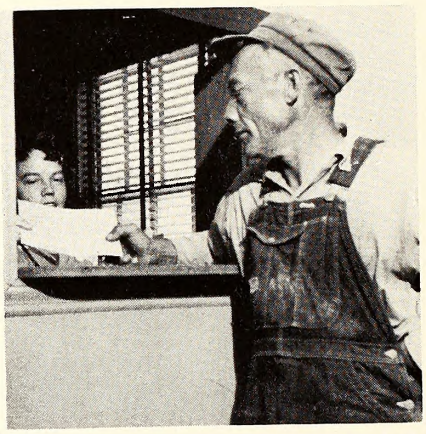
One of the most difficult problems encountered when the operation first began was the availability of plants. This was overcome, however, when plant beds were prepared using controlled seed varieties from Cannon and planted according to specific instructions concerning fumigation and fertilization.

One grower has estimated that about 75-100 acres of pepper can be planted from about 500,000 plants.

Contracts with individual farmers range upward from one-half acre.

The food processing company had rough sledding during its first two years of operation. Bad weather conditions cut into desired pepper development and harvest. But subsequent years have proven successful.

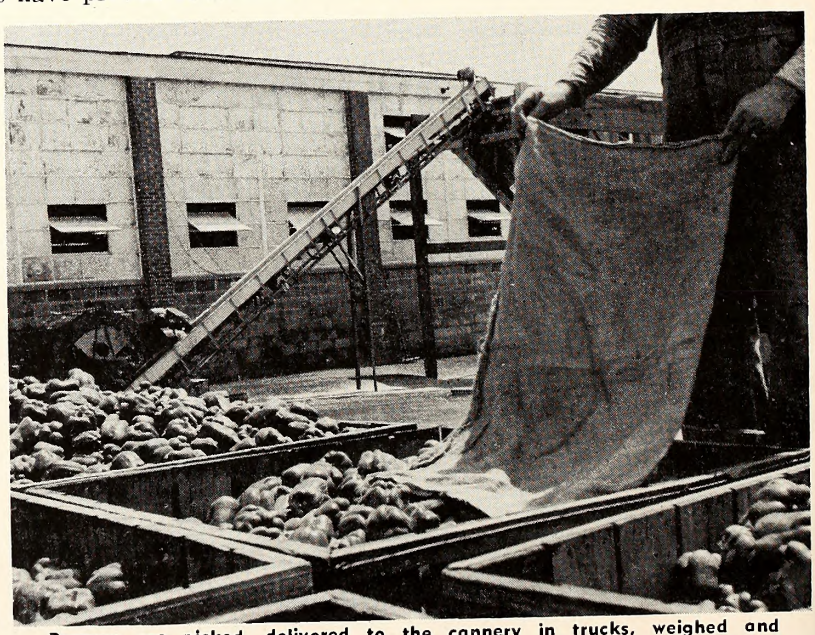
Peppers have ta be picked by hand, but require little preparatian far delivery ta the cannery. Peppers are easy ta produce.



Check acrass the counter and end of the line for the pepper grower, as prompt payment is made. There is no waiting nar special handling at H. P. Cannan & Sans.

"They're about the nicest people I ever dealt with," is common comment from local farmers about the canning company. Farmers agree that peppers are easy to produce and offer an opportune crop for mid-summer cash. They have no fault to find with H. P. Cannon Company, a closed stock organization, and they know that when they contract a crop there is a market.

Seed beds are prepared ta praduce pepper plants. One paund af seed will graw enaugh plants far approximately three acres, and it is estimated that 500,000 plants will be enaugh ta start 75-100 acres af pepper. Contracts range fram ane-half acre.



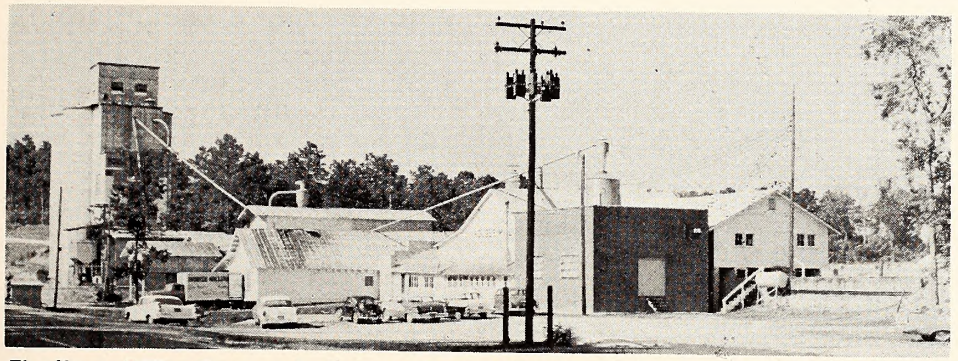
Peppers are picked, delivered to the cannery in trucks, weighed and emptied into waiting crates. Emplaying between 80 and 125 seasanal workers, the H. P. Cannon company not only affers local employment but pravides a market far growers which adds to the local farm ecanamy.

HOUSE MILLING, A "GOING CONCERN FOR 150 YEARS"

From The
AGRICULTURAL REVIEW,
September, 1962

"Agribusiness" is a word which has been coined in very recent years, but at Newton Grove in Sampson County there is an agribusiness operation which has been a going concern for 150 years.

The year 1962 is the century-and-a-half mark for House Milling Company, a corn and feed mill that has been operating under the same roof for that span of time, and which has combined agriculture and business from its beginning.



The House Milling Company in Sampson County's Newtan Grave has provided a grain market for local farmers for over 150 years. Packers af corn meal, Hause Milling alsa handles a wide range of poultry and livestock feeds. The operatian naw includes carn cob and shuck grinding facilities, and the company, lacated in the small eastern N. C. cammunity, has been a long-time meeting site for farmers and neighbors of the area. The mill packages a variety of corn meals.

Not all the company's claim to fame is invested in the fact that it is the oldest mill operating in the same quarters. Just as important is the fact that the facility has continued to operate for so long without being forced to assume proportions of a gigantic corporation. It is unique, too, in that it has remained a successful "family" operation.

This agribusiness venture dates back to 1812 when William House, an enterprising farmer of the area, dammed a stream on his farm, erected a waterwheel and put a single set of stones to grinding corn into meal. Unlike today's operation, all the grinding done was custom work for the area.

Over the years, as the mill was passed on to son Frank, who operated it until 1913, and to his son, Ed F. House, who died in 1951, the mill grew in size as additional sets of stones were put to work. Another wheel was added to tap the power flowing from the pond waters first dammed by William House.

As the venture grew, such operations as a sawmill, a forge and blacksmith's shop were added and operated in conjunction with the corn meal grinding. Diesel and other auxiliary power was installed as time passed, until the last waterwheel to operate was taken out of service in 1948. Electricity now powers the six modern units grinding corn meal. Custom grinding is now barely one percent.

The old operation in years past ground buckwheat flour in addition to corn meal, and at one time a rice husker was available to growers in the area. For a while, a water-powered cotton gin was operated there, the first such to run in the state it is believed.

Today, the mill operations cover some two acres, for as in the past, other enterprises are carried on in conjunction with meal grinding.

Managing this modern and bustling concern, which surrounds the 150-year-old structure of hand-hewn and pegged timbers, is M. Sherrill Williams, who has been in charge of House Milling since 1951. Williams is "family" too, for he is married to the former Eleanora House.

The mill produces some 3½ to 4 million pounds of corn meal annually, Williams figures. And products in the meal line alone include white, yellow and self-rising corn meal in a variety of sized packages.

House was one of the two mills first to manufacture and package a hushpuppy mix developed by N. C. Department of Agriculture specialist E. R. Vanderford some four years ago. Dozens of such mixtures are on the market now.

House Milling has distributors in southeastern North Carolina, but like all good things, the company's products travel afar. Williams has shipped corn meal across the country to Fresno, California, and just recently shipped some to a GI housewife in Berlin, Germany.

In addition to corn meal preparations, House Milling manufactures or handles a wide range of poultry and livestock feeds. Last year the operation turned out nearly 6,000 tons of livestock feed, most of which went into feeder operations carrried on by the Company.

Williams has just recently put a corncob and shuck grinding facility into operation. The product goes into feed as a fiber additive. The new facility includes blending machinery. Concentrates used in the mixed feeds produced are purchased in bulk. Williams plans to do custom blending, but feed production in general is designed to feed some 1,000 to 1,200 pigs in a fattening operation, and 2,000 to 2,500 feeder cattle all of which are part of House's operation.

A 65,000 bushel grain elevator at the milling location is used to store and supply grain for the grinding operations.

House Milling, though a business operation, has been a community center since the old days when farmers brought their grain for grinding and came prepared to wait out the two hours or so required to reduce the average load of corn to meal in those days. The 116-acre pond offered fishing, and the company of others waiting their turn at the "stone" offered the opportunity for "gossip."

Over the years the mill has continued to provide a center for elections and community events and, so popular has this meeting point become, a portion of one of the buildings was extended to accommodate the various activities that gravitated to this community focal point.

Just recently on a warm Sunday afternoon, Williams counted some 21 motorboats on the pond.

The Williams and their four daughters live in a modern house overlooking the pond and mill. Just as modern are the milling operations. Neat, clean ground surround the facilities and each building is freshly painted and in good repair. A concrete apron covers the approach to the grain elevator where truck scales are being installed. A two-way radio keeps Williams in touch with his truck and a sand and gravel operation at Dunn.

It is a different operation from the one stone mill run by William House 150 years ago, and still a fine example of North Carolina agribusiness in action.

"... Determined To Start Snack Food Business In North Carolina"

By E. M. THOMPSON

Regional Manager, Frito-Lay, Inc., Greensboro

In 1945 Herman W. Lay came to North Carolina to locate a site for a manufacturing plant to produce potato chips and snack food items for his already growing industry in Georgia and Tennessee.

This was at the end of World War II and buildings and equipment were hard to secure. After a long search, Lay found an old wooden building in Greensboro which could be put in condition to prepare his products. Lay rented this building, which was owned by the City, and immediately set out to obtain the necessary machinery and equipment. Because factories had not converted from manufacturing war goods to peacetime supplies, this was no easy chore.

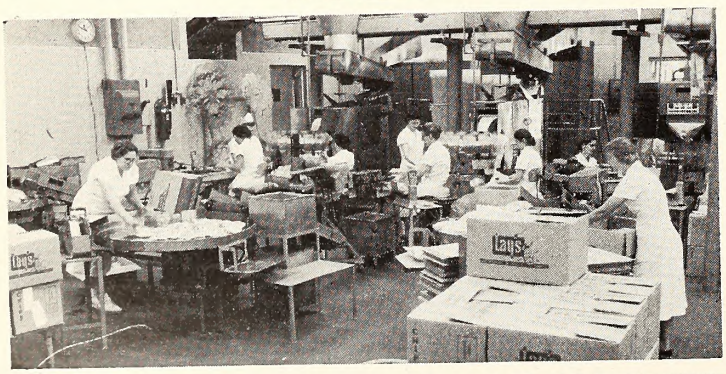
He managed to obtain a small potato chip cooker, but cooking oil was at a premium. Wrap and pack material was scarce. Potatoes were not being grown in North Carolina for potato chip manufacture at that time and freight rates were high to bring them in.

Despite these setbacks, Lay was determined to start a snack food business in North Carolina.

It was a hard struggle but during the years since 1945, the Company has grown into a multi-million dollar business. H. H. Lay and Company is now quartered in modern facilities in Greensboro with the most up-to-date equipment available, and distributes throughout North Carolina.

Inspection stotion at the pototo chip cooker as pototoes enter the slicer. Peeled in onother room, they ore brought in for inspection by conveyors.

Chips ore cooked obout two minutes ond are conveyed into the packing room. From unpeeled pototo to cellophone pockoge, the entire processing operotion is automotic.



The packing room, inspected regularly for cleonliness by heolth officiols. All workers must weor cleon uniforms ond hoir nets or hots.

The finished goods orea where cases of packoged chips ore looded oboard transport trucks. Note the conveyor system which eliminotes heovy handling and pockage breokage.

It requires a special variety of potatoes to make potato chips. There are approximately 55 potato varieties and only five will make chips. The Company purchases as many potatoes as possible from both eastern and western sections of North Carolina. Only 15 percent of a potato can be used to make chips after it has been processed. Using the best cooking oil obtainable, which is shipped in tank cars, the Company prefers flake salt because it adheres to the chips better than granulated salt.

Transport trucks make daily runs to points in North Carolina.

Delivery salesmen call on outlets such as grocery stores, drug stores, eating and drinking establishments, industrial accounts, etc. This constitutes a sizeable fleet of sales trucks throughout North Carolina, and the number of company employees has increased tremendously since 1945.

Manufacturing personnel at the Frito-Lay Company are highly skilled. Processed by the latest machinery, chips go from the raw potato to the finished product never touched by hand, but machines can never replace the people with technical know-how when producing a product of the highest quality. All of our personnel are experienced in this industry.

Whenever possible, the Company purchases its raw materials from North Carolina firms. Cardboard cartons are made in North Carolina, and a good portion of the cellophane used is purchased in the State, also.

The Frito-Lay Company has its own laboratory which spends a lot of time and money in research and development. Personnel here are always striving to produce new materials, maintain and improve the quality of the overall product line. No stone is left unturned in our attempt to improve and maintain the highest quality product known to the entire snack food industry.

CATES

—Continued from page 23—

During this period, known as "green season," cucumbers from more than 5,000 farmer-contracted acres are harvested. In 1962, yield was more than 500,000 bushels. These were channeled into (1) the fresh cucumber pack; (2) brine curing and storage tanks at the Faison plant, Parkton, North Carolina, brinery, and Emporia, Virginia, brinery; or (3) green cucumber sales to other pickle packers.

During the remaining months of the year the operation revolves around grading, cutting, processing, and packing thousands of bushels of cucumbers from the brine tanks. Through the quality-controlled processes, these brined cucumbers are nurtured into sweet, sour, or dill pickle flavors which are sold primarily under the "Cates Fancy" and "Cates Premium" labels. Other products packed include watermelon rind pickles, sweet cauliflower, sweet and sour onions, hot peppers, and piccalilli, a multi-fresh vegetable relish.

These Cates products may be found in the better food stores throughout the sales area, covering sections east of the Mississippi from Maine to Florida.

In the history of the company, 1898-1962, there has never been a phenomenal growth in any one period. There has been a steady increase, and in 1948 Cates' annual sales passed $1,000,000.

Continued expansion of physicial facilities and product sales are planned to meet the increasing demand for pickle products. All indications point to a future of promise and growth for Cates Pickles.

HOLLY

—Continued from page 32—

was sold fresh ice-packed. Some increase in frozen pre-packaged poultry is anticipated in future years. Specialty packs will be a more important part of the operation in the future, although few will be produced until consumer acceptance of such convenience food products is greater. First, the stigma of cheap chicken will have to be removed from the food buyer's mind.

Merchandising and marketing is, of course, an all important partner of quality control in the future success of Holly Farms or any broiler enterprise. Name branding is going real well with Holly Farms customers and we hope it will provide a larger share of the consumer market in the years ahead.

FOUR FOOD PROCESSING OPERATIONS OFFERED BY CENTRAL CAROLINA

By HERMAN NORMAN

Information and Sales

Central Carolina Farmers Exchange, with headquarters in Durham, operates four different food processing departments. These facilities are a poultry processing plant, an egg market, and a cold storage freezer locker plant, all in Durham, and an abattoir at Hillsboro, N. C.

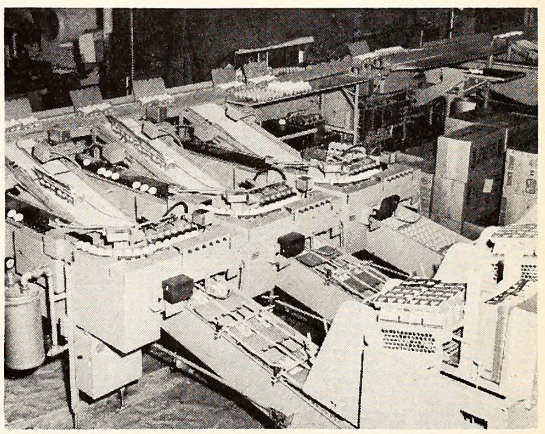
With a dressing capacity of 6,000 birds per hour, the poultry market is one of the largest in the state. The plant operates under federal poultry inspection with most of the poultry being sold on northern markets. This operation paid farmers in central Carolina $5½-million last year for live poultry.

One Of The Best

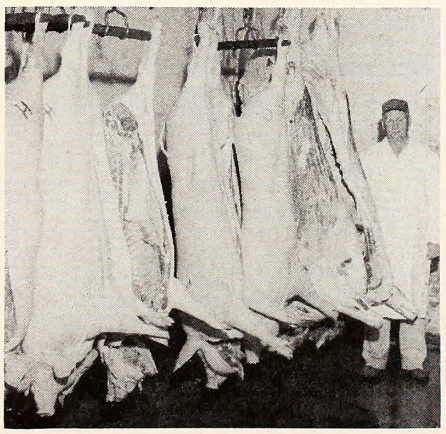
The egg market is one of the best equipped in the South. It, too, operates under federal poultry inspection and processed over 4.6 million dozens of eggs last year, for which farmers received approximately $2 million. Eggs from this market are packaged in cartons of the buyers, many of which are from out-of-state. This plant, which has all automatic equipment, employs 35 people.

Farmers Exchange cold storage and freezer locker plant custom processes all kinds of meats for individuals and other businesses. Employing 14 people, the plant is equipped with nine refrigerated rooms, some for bulk storage and some with individual lockers which are offered for rent.

The Farmers Exchange slaughter house at Hillsboro is operated for the convenience of patrons who buy animals from the Farmers Exchange pig and hog salesmarket and the livestock market which sold 33,300 head last year. The sales market is located adjacent to the abattoir. The unit has modern equipment for slaughtering, dressing and chilling carcasses, and employs eight people.



Farmers Exchonge egg morket processed over 4.6 million dozens of eggs last year, poying farmers about two million dollars.



The cooperotive's obottoir is located odjacent to the livestock market, and is completely equipped to sloughter, dress ond chill meat.

A busy doy at the Farmers Exchange livestock market in Hillsboro. The market sold 30,000 hogs and pigs for farmers lost yeor.

Canners of Carolina Yams and Pumpkins

Produce Processors, Incorporated

Produce Processors Incorporated began operations several years ago in quarters formerly occupied by Bertie Produce Company.

It was a fresh food operation, handling sweet potatoes, watermelons and cabbage, but after several years it was apparent that food processing had to be added for the company to become successful.

With the help of Dr. M. W. Hoover of North Carolina State College, work was started by Jack Goldstein and R. E. McGaw about three or four years ago to develop "Instant Yam Flakes." Research on a similar process had already begun by the U. S. Department of Agriculture in New Orleans.

Through research, Dr. Hoover developed Yam Flakes into a product ready for commercial production. After a complete study, it was decided that the local area could not financially support a plant large enough for a full-scale Yam Flake operation, so arrangements were made with Morningstar-Paisley, Inc., of New York and I. Meltzer and Son of Philadelphia to participate in this enterprise.

Produce Processors, Inc. was then organized to process instant foods at a plant in Windsor, N. C. Morningstar-Paisley would be sold distributor of all processed foods and I. Meltzer and Son would distribute fresh produce.

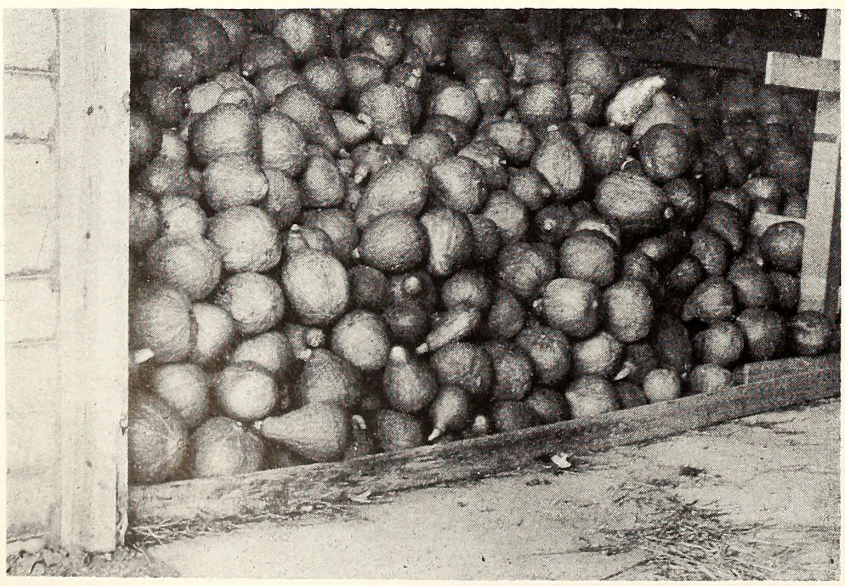
Operation began in the spring of 1961.

After a year of processing Yam Flakes and a season processing Instant Pumpkin Mix, Produce Processors Inc. has started its second year with these new products. Presently, products are being packed for institutional use. However, research is underway to develop a consumer package.

The plant became a reality through the knowledge, experience and financial assistance of the Morningstar-Paisley Company, and through research and development of Dr. Hoover at State College's Food Science Department.

Other State agencies have provided invaluable assistance to P.P.I. The Employment Security Commission screened and tested job applicants. The State Department of Agriculture has assisted in field work, grading and contracts, and the Agricultural Extension Service at State College helped with production through recommended practice on acreage under contract.

Jack Goldstein is General Manager and R. E. McGaw is Plant Manager.



In the barn, future instant pumpkin mix. Produce Processors, Inc. cambines its operatian ta praduce pumpkin mix and yam flakes. The USDA and the Agricultural Extension Service at N. C. State College has offered invaluable aid to the Bertie County company through research and recommended praduction practices.

TV

—Continued from page 8—

separation centers at Cherry Point and Camp Lejeune was also discussed.

Television Station WNCT has a potential viewing audience of over one million persons, and quite a number of favorable comments have been received from time to time on the programs being presented by representatives of the Employment Security Commission.

Following the showing of the films and the narration of the action by farm interviewers, the program entered upon a third stage as certain local office managers in three administrative areas were featured. Managers gave a summary of the agricultural activities in their respective areas during the year and pointed to the impact on the economy of the area.

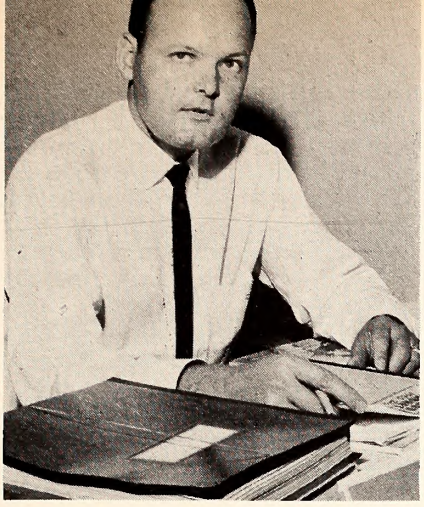
The fourth phase of the program consisted of appearances by state office officials and heads of departments discussing various programs of the Employment Security Commission. Programs such as UI coverage, certain phases of the Employment Security law, counseling techniques, placement of the handicapped and older worker, clearance program, services offered by the Industrial Services Section and other facets of employment security have been covered during the past few months.

The Greenville office was assigned the program for the months of June and July, and the Manager prepared and presented timely and informative features during the period

Present phase of the program consists of Farm Interviewers in parts of three administrative areas discussing the harvest of certain crops and the handling of special programs in the area. This is in line with the nature of the television feature "Today on the Farm," and has a direct connection with the program as it was originally planned and time allotted to the Employment Security Commission by officials of Television Station WNCT.

Unlike many programs which disintegrate or fall into a deadly routine, this television feature has gained in momentum and popularity, and is looked forward to each Monday by many viewers in eastern North Carolina.

Viewers are kept as up to date as possible. For instance, with the recently enacted Federal Area Redevelopment and Manpower Development and Training Acts designed to alleviate hard core unemployment by providing funds for training courses, people from the ESC central office have been on the air and discussed these two programs.



MILLS

ESC SURVEY DISCLOSES PREVAILING WAGES PAID STATE'S TOBACCO WORKERS

By JIM MILLS

Labor Market Analyst, Bureau of Employment Security Research

Prevailing agricultural wage surveys, covering a variety of crop activities, have been conducted in several other states for a number of years. Most surveys have been made in areas employing a substantial number of foreign workers. New emphasis has been placed on Public Law No. 78, which deals with agricultural wages. And regulations of the Secretary of Labor now specify that wages offered out-of-state agricultural workers recruited by the Employment Service for work in an area may not be less than wages paid to in-state and other out-of-state workers who are similarly employed. State Employment Security agencies are now expected to compile, maintain and furnish the Secretary, as requested, current information on prevailing farm wages.

When local supply of farm labor is inadequate, workers are recruited from other states by the Employment Service for work in North Carolina. To carry out regulations of the Secretary of Labor and to insure that these interstate agricultural workers are paid wages not less than those prevailing in the area among in-state and other out-of-state workers who are similarly employed, a prevailing agricultural wage survey program was initiated in North Carolina during 1962 by the Commission's Employment Service Division and its Bureau of Employment Security Research. Before, interstate recruitment wages were determined by closed order surveys.

Due to the significant number of interstate workers recruited for work in tobacco harvest, this crop activity was selected for study in 1962. Interstate workers used in tobacco harvest are employed primarily as tobacco primers, tobacco handlers and tobacco loopers. In some areas the number of interstate tobacco handlers and loopers was insufficient to warrant a wage finding. (See footnote 2 of Table). Only hired workers were included in the wage findings. The wage survey covered only domestic workers since no foreign or off-shore workers are now used in the farm labor program in North Carolina.

Due to heavy rain damage in July, two counties, Beaufort and Craven, were omitted from the 1962 tobacco harvest wage survey program. Considerably less damage was done in Greene, Lenoir and Pitt Counties which are also in the Eastern Belt. Therefore, prevailing wage surveys were made in these counties as well as in Surry and Rockingham counties. In addition, the Yadkin County tobacco crop wage area was added to the survey schedule, making six crop-wage area studies in 1962.

It was not practical to contact all tobacco farmers; so, a sample of small, medium and large tobacco allotment farms were selected from each township within the crop-wage areas to be surveyed. Six crop-wage areas were surveyed and from 7 to 10 per cent of all tobacco farms in these areas were included in the survey. The surveys required one week during the tobacco harvest season after all expected out-of-state workers were on the job. Interviewers were selected on the basis of their farm background and their understanding of problems confronting growers and workers, and were furnished lists of pre-selected farms. Personal contacts were made with growers, workers and crew leaders and interviewers explained very carefully the purpose of the wage survey, how the results were to be used, that all information was confidential, and that both the worker and grower could benefit from the survey findings.

Total cost of farm labor is not reflected in wage findings. Often, where migrant labor is concerned, the crew leader is paid $.15 per hour for each worker under his supervision. Most growers report that the crew leader is very helpful in keeping the workers busy and satisfied, and they do not object to paying this amount to a good crew leader, but sometimes feel they should not have to pay the workers as much as those employed without crew leaders. Free housing and other perquisites also are not represented in agricultural wage findings.

Some growers have expressed concern over paying inexperienced migrants at the same rate as experienced migrants and in-state workers. Most growers realize, however, that the time spent in teaching these workers operations in tobacco harvest is very insignificant and know that dissatisfaction may arise from paying different rates to workers doing the same work, especially crew workers.

Tobacco priming (cropping) throughout the six crop-wage areas studied appears to be carried on in the same general manner and the rate of $1.00 per hour prevails in all areas.

Tobacco loopers and handlers in the western counties are paid more than in the eastern counties because the barn crews are smaller and each individual is required to do more work. It also appears that more barn hands are available in the eastern counties where the main problem is obtaining primers.

Most wage surveys show that interstate workers were being paid prevailing wage rates. However, three surveys revealed that tobacco primers were being recruited at $.90 per hour, while in-state and other out-of-state workers were being paid $1.00 per hour. In one area interstate handlers were being paid less than the prevailing wage. (See Table P-55). Discovery of these situations not only may benefit the interstate worker, but the grower as well. If in-state and other out-of-state workers are being paid more than interstate workers recruited by the Employment Service and if the demand for labor is strong, growers who are offering higher wages are able to attract those workers who are recruited at wages less than those prevailing in the area. So, the grower served by the Employment Service could be left short of workers. The grower then may be forced to pay wages which are in excess of prevail-

(Continued)

ing wages in order to obtain needed workers.

Survey results indicated no great variation in wage rates, and in all areas there was a definite prevailing wage for each class of workers. Higher than normal wages were usually paid because of heavy demand for labor or better than average production by workers. The wages found to be lower than normal were usually paid to young workers, older workers, disabled workers, relatives and inexperienced workers. Wage rates for these workers were not included in the wage findings.

Results of the wage survey in tobacco harvest indicate that very little wage fluctuation nor any lessening of the need for migrant workers has been caused by mechanization. Tobacco harvest wage rates are still below the level at which conversion to machines becomes highly advantageous, especially for small growers. Loopers working on mechanical harvesters were, in some instances, paid at the same rate as primers working on harvesters.

Workers who feed mechanical loopers are paid at the same rates as regular handlers. These mechanical loopers may add to the problem of obtaining primers since it takes about six primers to furnish one mechanical looper with sufficient tobacco for maximum operation. Less out-of-state workers may be needed since workers will be required for shorter periods of time. Bulk curing, the greatest labor saving operation in tobacco harvest, is not being used extensively due to the high cost of bulk curing barns.

Methods of payment to tobacco harvest workers were found to differ from grower to grower. Some workers paid by-the-barn and by-the-day in addition to by-the-hour. When these methods of payment are compared, however, individuals earn very nearly the same amount of money for a given period of time. In all cases, wages paid by the hour prevailed.

Reports show a possible fluctuation in wage rates each year in the Rockingham, Surry and Yadkin County crop wage areas about the end of August.

A large number of school-age children were being used in tobacco harvest in these three counties. The problem was not as great this year due to the early tobacco crop, but could be a serious problem in a late crop year. In the past, some county schools have closed at noon each day until tobacco was harvested, but eastern counties usually complete their tobacco harvest before school opens. Tobacco harvest labor supply and demand is seldom in balance and sharp upswings in demand may be noted from week-to-week. Often this demand temporarily affects agricultural wages. The majority of growers contacted stated that they had been paying the same rate for two or three years, especially those meeting the prevailing rate. Over all, growers seem to feel that tobacco harvest wages now prevailing are about as high as can be paid unless there is an increase in tobacco prices or a reduction of other grower costs. It appears that those growers paying less will gradually raise their wages until the prevailing wage level is reached.

These surveys are not an attempt to set a minimum tobacco harvest wage nor to raise farm labor wages. Wage findings and the subsequent use of these findings in the recruitment of agricultural workers should not in themselves raise agricultural wages in the areas involved, since agricultural wages appear to fluctuate with the demand for the available supply of labor. Survey data show that in areas of heavy concentration of tobacco the demand for harvest workers is increased and wages are likely to be higher.

The opposite is true in areas of light concentration of tobacco. The majority of tobacco farm operators in Surry, Rockingham and Yadkin counties prime tobacco or drive sleds themselves. Most family members work in tobacco, also. This, along with the habit of "swapping work," cuts down sharply the demand for hired labor in these counties as is indicated by Item 5 of the table shown. Small growers are forced to cut costs whenever possible to realize a profit, while larger growers depend on volume.

Shortages of labor for tobacco harvest were very evident in the surveyed areas. Many growers said that if needed workers can be satisfactorily recruited from other states at prevailing wage rates, thereby alleviating the shortage of tobacco harvest workers then agricultural wages will tend to be stabilized at the prevailing rate rather than climbing upward. You will note in Item 6 of the table an estimation was made to indicate the number of jobs accomplished by tobacco harvest workers during the survey period. Estimates of the total number of individuals engaged in tobacco harvest are shown in Item 5.

In the Pitt, Lenoir and Greene county crop-wage areas, where large tobacco allotments are dominant, the average tobacco harvest worker is employed on slightly more than two farms per week. It is estimated that Pitt County had 19,000 workers during peak tobacco harvest. According to the wage survey, 39,000 jobs were performed by these 19,000 workers during the survey period.

In the Surry, Rockingham and Yadkin county crop-wage areas where tobacco allotments are small, the average harvest worker is employed on about four farms per week. It is estimated that Surry County had 6,000 total workers at peak tobacco harvest. Wage survey data showed these 6,000 workers performing on 24,000 jobs during the survey week. Migrants are more prone to work on one farm, especially in large allotment counties. It is estimated that 275 migrant workers were employed in Greene County during the peak tobacco harvest. Survey results show these migrants performed 400 jobs in tobacco harvest during the survey period. This means that each migrant worked on slightly less than one and one-half farms per week.

In Yadkin County it is estimated that 250 migrants were employed in peak tobacco harvest. They performed 900 jobs or worked on slightly more than three and one-half farms each during the survey period of one week.

Migrants were found in greater numbers in Rockingham, Surry and Yadkin counties. This may be due to the number, size and location of farms in these counties. Pitt, Lenoir and Greene counties have about 5,897 tobacco farms with approximately 55,000 acres of tobacco, heavily concentrated. Therefore, growers are larger. Surry, Yadkin and Rockingham counties have about 8,730 tobacco farm units with only 32,730 acres of tobacco, highly scattered. These scattered farms are more difficult to serve, crews are smaller and only a small percentage of the 8,730 farm units are contacted by the Employment Service.

For this reason, some of the growers are obtaining out-of-state labor on their own.

"Free-wheelers," workers coming of their own volition, for the most part were being paid at the prevailing rate for the area. From all reports, there were no actual crews of "free-wheelers" in Surry, Rockingham or Yadkin counties while only one known crew worked in Pitt, Lenior and Greene counties.

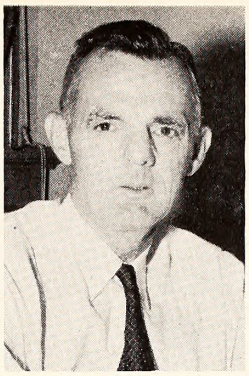
Some growers in all counties surveyed need migrant labor each year, and judging from remarks by growers, will need even more migrants in coming years. Expected industrial development of North Carolina will attract many local tobaco harvest workers, while the exhaustion of automational possibilities and the pattern of migration from farm to nonfarm occupations may cause a tremendous increase in the need for migrant labor.

During the survey, 1,057 growers were contacted in six crop-wage areas. There growers represented 21,685 jobs. More than 99 per cent of the growers contacted were glad to supply all wage information asked for.

"...functions herein enumerated."

By BILL HOLOMAN

Chief Counsel, Employment Security Commission



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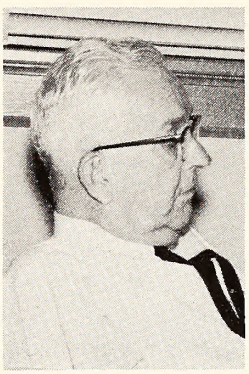

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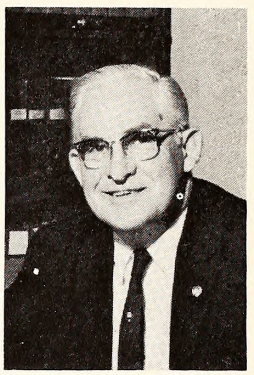


BILLINGS

The office of Chief Counsel of the Employment Security Commission is composed of the Chief Counsel, three attorneys, a hearings reporter and four secretaries, and is directly responsible to the Commission Chairman.

A primary function of this department, of course, is to interpret the Employment Security Law and serve as legal advisor to the Chairman, members of the Commission and to its various departments and divisions. We advise on policy, administration and legal questions involving the employment security program, and this includes the formulation and preparation of legal rulings, Statements of Policy and Interpretations.

Interpretations, after adoption by the Commission, are official and binding upon ESC officials and agents. The office of the Chief Counsel assists in the preparation and approval of rules and regulations as promulgated under the State's Employment Security Law, which, when adopted by the Commission, have the effect of law.

The office also gives advisory opinions to employers throughout North Carolina with respect to their liability under the Employment Security Law, and to employees (claimants) with respect to their benefit rights.

Representing the Commission in all court actions and judicial proceeding in all courts across the State, the Chief Counsel and his staff prepare transcripts of records which must be certified to the Superior Courts and to the Supreme Court for judicial review, and is responsible for the preparation of trial (briefs and the actual trial) of the cases in the courts. We are also responsible for the preparation and presentation to the courts all petitions and orders to compel the production of records and documents and proceedings in which citations for contempt are sought by the Commission. The legal staff also institutes and tries in the Superior Courts all injunction proceedings when it becomes necessary to enjoin employers from operating for failure to pay contributions due or for refusing to make reports required by law, after all other remedies are exhausted.

The ESC legal department institutes and tries in the proper courts special and supplemental proceedings in order to determine the rights of parties to any monies that may be due by third parties to covered employers.

During the 12-month period ending October 1, 1962, the ESC legal staff has tried 51 cases in the Superior Courts and two cases in the Supreme Court of North Carolina. The two Supreme Court cases were precedent cases.

Another function of the legal staff is the preparation of cases and appearances before referees in bankruptcy, statutes, and the trial of cases involving brankruptcy in the U. S. District Courts or other Federal Courts. We prepare and file answers in the Federal Courts when the Commission is made a party defendant, and the members of the staff appear as attorneys for the Commission in the trial of such cases in the Federal Courts, and also in the State Courts involving receiverships.

We prepare and try cases before the N. C. Industrial Commission involving injuries to employees of the Employment Security Commission as a self-insurer under the N. C. Workmen's Compensation Act. We are responsible for the appeal cases if any occur.

The legal staff also assists the prosecution officers of the State prepare formal warrants and indictments, obtain and present evidence, and try cases involving violations of the Employment Security Law.

Amendments to the General Statutes of North Carolina, which are sponsored by the Commission affecting the employment security program, are prepared by the Chief Counsel and staff and they appear before legislative committees to explain the amendments.

By formal order of the Commission, members of the legal staff act as deputy Commissioners to conduct liability hearings through the State. Here, evidence is taken so the liability and/or status of employing units for the payment of contributions under the law may be determined. In connection with these hearings, we prepare and mail formal notices of hearings, administer oaths, and formally rule upon all legal questions and ob-

—See COUNSEL, page 54—

SURVEY GIVES STATE PERSONNEL BASIS FOR WAGE COMPARISON

LONNIE D. DILL

Labor Market Analyst, Bureau of Employment Security Research

For more than a decade the North Carolina Employment Security Commission has conducted biennial surveys of weekly wage scales in occupations selected by the State Personnel Department. We refer to this study as the "Personnel Department Wage Survey" to distinguish between it and other wage studies originating within the Commission.

Since its inception in 1950, the surveys have sampled wage scales for some 115 different job classifications through more than 5,100 contacts with North Carolina firms. We have studied practically every job classification within the state, including jobs of little skill and education to professional occupations.

These surveys are taken to determine weekly wage scales paid workers in selected occupations by North Carolina business and industrial firms as part of the program of the State Personnel Department to maintain equitable salary schedules for state workers. Almost every type of North Carolina firm, including local and Federal Government agencies, may be included in the survey. Only wage scales for State Government workers are purposely excluded.

In addition to providing the State Personnel Department with a basis of comparison between state workers' salaries and those of other workers in North Carolina, data developed from these surveys have other practical applications. Employers find the data useful as a guide in comparing wage patterns with their own pay schedules. The Statewide and Area Summary Reports provide helpful data concerning the state's wage structure to new firms considering North Carolina locations. And, we hope state and community promotional groups also consider these reports a salutary addition to their wage files.

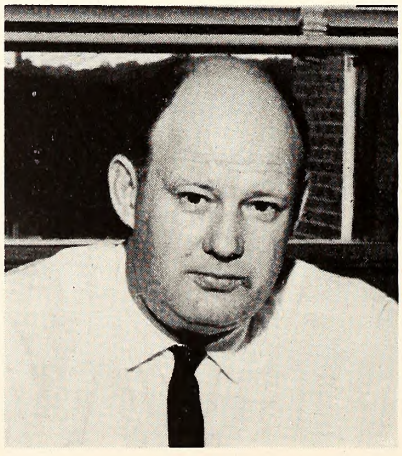
In getting the facts and figures most of the actual contact with employers has been accomplished by ESC personnel employed in the 54 local offices throughout the state. For each study, local office people have averaged visiting more than 700 business and industrial firms. They collected data on wages, hours and other employee benefits relevant to the studies. During these survey periods, time becomes an important factor in these local offices. In addition to handling their regular duties, staff members must collect the information within a preselected 30-day period so wage data from all sections of the state will be comparable.

The 1962 Personnel Department Wage Survey includes information on 38 occupations from over 43,000 employees. These people worked for 755 North Carolina firms which ranged in size of employment from less than 50 to more than 10,000 persons.

The wage scale information gathered in this year's survey is contained in 33 tables or summary reports. In addition to the Statewide Summary Report, the data is arranged into 32 area reports covering all sections of North Carolina. These tables show the averages and ranges of weekly earnings for each surveyed occupation. The Statewide Summary and those for the state's six metropolitan areas (Asheville, Charlotte, Durham, Greensboro-High Point, Raleigh and Winston-Salem) also include weekly averages for the middle 50 per cent of the workers in each occupation. No wage data is given, however, from anything less than three firms employing less than five workers. Thus, the survey reports do not in any case reveal the wage pattern of a single firm.

Weekly earnings and averages shown in these reports represent the amount earned by sampled workers in a normal full-time work week without regard to the number of hours worked. Figures are not adjusted for overtime, shift differentials or bonus payments. Analysis of the data contained in these tables should be made only in terms of methods used in presenting these data as well as the job definitions used in the survey.

This study provides the State Personnel Department with current wage scale information for occupations officials wish to study more closely. But, the list of jobs surveyed varies considerably from one study to the next. Definitions of jobs surveyed in previous studies are also altered from time to time to meet the changing requirements of the worker tasks involved in the occupations included in the study. Thus, it is not feasible to compare average weekly wage scales for all jobs contained in one survey with those found in another. Finally, in some instances the wage ranges and averages appear to be typical for certain occupations. This usually occurs where the local area sample was too small to be representative, or in those areas which are dominated by a single industry which is itself typical to the state's economy.



DILL

In addition to presenting information on 38 Tar Heel occupations the survey reveals that 16 job definitions studied in both the 1960 and 1962 studies are materially the same and are suitable for use as a basis for comparing the average weekly wage scales for the two periods.

This comparison shows that wages in North Carolina have, in general, continued to rise above those paid in the prior two-year period. Average weekly earnings, according to the number of workers included in the survey for the 16 comparable jobs, indicates an overall 5.38 percent rise in wage patterns over the period two-years ago. These findings are not inconsistent with the changes in the overall wage pattern for this period. Compare wages from all of the state's insured workers between the first quarter, 1960, and the first quarter, 1962 (Table I). When wage data is grouped according to worker classification we see that wage gains for professional and technical workers have been the highest. Wage gains for custodial and materials moving workers were smallest. In fact, a maid is the only comparable job for which there appears to be a reduction in the wage scale—a job which requires little training or formal education (Table II). It seems especially noteworthy that wage scales for jobs requiring the greatest amount of training and formal education have, generally, not only increased the most in total dollars but havt also shown the greatest percentage increases over the two-year period. (Table III).

Data developed from these survey reports implies that more and more North Carolina employers are becoming aware of the increasing value, both presently and potentially, of educated and trained personnel. Workers without the ability to learn new skills are displaced by technological changes in the state's economy. Consequently, they have increased the competition for less skilled jobs so that wages for such jobs tend to remain constant. Only in these areas of the state where there has been a great expansion in industry, and in those industries affected by the recent increase in the minimum wage laws, have the wages of less skilled workers advanced.

TABLE I—COMPARISON OF WEEKLY WAGE SCALES FOR INSURED EMPLOYEES IN N. C., 1960-1962

	First Quarter 1960 Average Employment	First Quarter 1960 Average Weekly Wage	First Quarter 1962 Average Employment	First Quarter 1962 Average Weekly Wage	Per Cent Change
All Insured Employment	875,886	$ 66.20	911,071	$ 71.87	+ 8.56
Construction	53,644	60.81	55,546	65.44	+ 7.61
Manufacturing	497,636	65.55	510,815	70.97	+ 8.27
Trans., Comm., Utilities	52,166	87.43	54,439	97.38	+11.38
Trade	185,219	64.92	192,898	70.25	+ 8.21
Finance, Ins., R. Est.	33,915	83.29	38,790	88.72	+ 6.52
Service	48,307	49.68	52,805	55.20	+11.11
Other	4,999	58.20	5,778	66.58	+14.40

[1] North Carolina Insured Employment and Wage Payments, first quarter 1960 and 1962.

TABLE II—COMPARISON OF WEEKLY WAGE SCALES FOR SELECTED OCCUPATIONS, 1960-1962

Position	Average Weekly Earnings (Middle 50 Per Cent) 1960	Average Weekly Earnings (Middle 50 Per Cent) 1962	Per Cent Change
Professional Workers:			
Chemist	$105.24	$124.18	+ 18.0
Civil Engineer	117.39	133.50	+ 13.7
Draftsman I	76.22	77.92	+ 2.2
General Duty Nurse	61.55	67.40	+ 9.5
Skilled Workers:			
Maintenance Carpenter	74.48	78.54	+ 5.5
Maintenance Man	80.44	83.44	+ 3.7
Clerical Workers:			
Bookkeeping Machine Operator	56.32	57.96	+ 2.9
Clerk	51.17	55.60	+ 8.7
Duplicating-Machine Operator	60.32	63.82	+ 5.8
Key Punch Operator	57.04	59.72	+ 4.7
Stenographer I	59.65	59.94	+ 0.5
Stock Clerk	58.75	60.52	+ 3.0
Typist	52.26	55.21	+ 5.6
Other Workers:			
Janitor	47.63	49.54	+ 4.0
Maid	32.09	31.20	— 2.8
Truck Driver	57.20	61.53	+ 7.6

TABLE III—PERCENT CHANGES OF WEEKLY WAGE SCALES FOR SELECTED OCCUPATIONS, 1960-1962

Occupation	Change in Average Earnings Since 1960 Wage Study: All Workers	Change in Average Earnings Since 1960 Wage Study: Middle 50 Per Cent
Professional and Technical Workers:		
Chemist	+ 19.4	+ 18.0
Civil Engineer	+ 18.1	+ 13.7
Draftsman I	+ 1.6	+ 2.2
General Duty Nurse	+ 7.4	+ 9.5
Group Average	+ 13.1	+ 11.8
Skilled Workers:		
Maintenance Carpenter	+ 5.3	+ 5.5
Maintenance Man	+ 3.3	+ 3.7
Group Average	+ 4.3	+ 4.6
Clerical Workers:		
Bookkeeping-Machine Operator	+ 3.3	+ 2.9
Clerk	+ 9.8	+ 8.7
Duplicating-Machine Operator	+ 5.4	+ 5.8
Key Punch Operator	+ 4.3	+ 4.7
Stenographer I	+ 0.7	+ 0.5
Stock Clerk	+ 3.3	+ 3.0
Typist	+ 5.3	+ 5.6
Group Average	+ 4.5	+ 4.4
Other Workers:		
Janitor	+ 2.9	+ 4.0
Maid	— 2.7	— 2.8
Truck Driver	+ 8.6	+ 7.6
Group Average	+ 4.0	+ 3.9

COMMISSION HOPES TO AID EXECUTIVE JOB PLACEMENT

The Employment Security Commission has begun an effort to aid job placement of top level administrative and management personnel as well as laborers and clerical employees through a monthly listing to select employers across the state.

ESC local office managers have furnished the Commission's Employment Service Division in Raleigh the names and addresses of over 700 top executives to receive the new monthly bulletin, "Top-Flight Personnel."

Mailed each month, the new bulletin will contain resumes of outstanding job applicants. According to the ESC, studies have shown that three out of five new hirings result from the movement of employed workers directly to other jobs, and indicate that workers are highly mobile. Management and technical personnel have a higher rate of movement from one section to another than labor or general employees.

Suggestion for a system whereby industries are notified periodically of management and technical personnel available for employment over the state was made some time ago by a western employer to Governor Sanford.

Acting on the suggestion, the Employment Security Commission began sending the bulletin to some 700 employers on February 1,

Qualified personnel who wish to be listed in the bulletin, or who wish to seek employment in their fields, should contact their local ESC office. Information as to qualifications and identity of job-seeking applicants will be held in strict confidence if the applicant desires.

This professional job order system is not entirely new with the Employment Security Commission because for some time the agency's Employment Service Division has listed professional orders on its weekly state-wide inventory of job openings, a summation of job opportunities about the state. This listing publishes professional, clerical, laborers, and technical classifications.

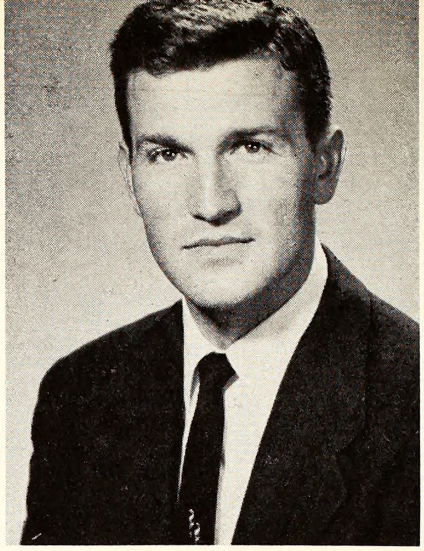
But the "Top-Flight Personnel" series is the first attempt from the Commission to go direct to the state's leading employers to assist job placement of applicants who would possibly not apply through either the State or private employment agencies.

Lacy G. Hall, 29-year-old Burlington native, joined the Employment Security Commission in September as Supervisor of Employment Counseling.

A 1958 graduate of Elon College, Hall received his MA degree in Education from Duke University the following year and is presently a candidate for his PhD degree from the University of North Carolina.

He has taught philosophy at Elon College and before joining the ESC was youth counselor at Walter Williams High School in Burlington. The youthful supervisor believes that employment counseling is "not a collection of techniques," but a "science and an art," a function of the employment service of increasing importance. "Employment counseling to youth is vital," says Hall, "and must reflect out imagination as well as our professional competence."

As Supervisor, Hall has the opportunity to advance the ideals of counseling to job applicants, for he heads the counseling activities at the 54 local offices of the Employment Security Commission.



Not "Man For The Job" . . . But "Job For The Man"

LACY G. HALL

ESC Supervisor of Employment Counseling

Important psychological and economic needs of every American citizen are satisfied by the ubiquitous, commonplace activity called "work."

Through our vocations we strive for recognition and self-identity. Through our vocations we achieve the dignity and satisfying self respect of being a productive citizen contributing to the growth and value of our society. And, it is through our vocations that we aspire to economic security and project our interest in the pursuit of "the good life."

Americans are blessed with vocational variety and complexity in a society which provides unlimited opportunities for satisfying work experience. The same variety and complexity, however, have increased the difficulty of vocational choice and adjustment, so today many persons are seeking the help of professional employment counselors.

While seeking employment and adapting to rapid vocational changes, many individuals need help in assessing their vocational aptitudes and interests. They need the opportunity to talk over their own personal aspirations with a professionally trained person, and the opportunity to discuss work situations. This assistance, provided by a specially trained counselor, is called vocational or employment counseling, and during the past 60 years counseling as an occupation has greatly increased, both in numbers and kinds of professional counselors.

Perhaps the word "vocational" is misleading. Counseling is broader in scope. If we are really to help individuals, we must recognize that their problems do not occur singly. We need to see individuals as total personalities functioning in a variety of environmental settings.

It is appropriate the U. S. Employment Service is concerned with "vocational counseling," and with patterns of occupational adjustment. These are our two major problems.

We cannot be concerned with these problems without being concerned about people. And we cannot be concerned about people with these problems unless we become concerned about counseling. To accept the responsibility for counseling as a service of the local employment office is to insure efficiency and purposeful effort.

Most important, however, is that we do all we can for the individual who comes to the counselor for help.

Counseling is both a science and an art—a science by knowing what to do and an art by knowing when to do it. Counseling is not a collection of techniques. It is a complex process. In part, counseling is a point of view —and a set of specific things to do.

As a point of view, counselors feel that their primary responsibility is to the individual whom they serve—the responsibility to do the best job possible and help the individual make that kind of adjustment which will result in maximum benefit to society and maximum satisfaction to the individual. Secondary responsibility is to the employment agency or institution, to society in general, and to the counseling profession. But the counselor's primary concern rests with the particular individual with whom he is working.

Each individual counseled is considered unique, important, and worthwhile. Each individual is considered capable of moving toward self sufficiency. The counselor operates under the basic assumption that behavior is caused, the causes are complex, and a pattern of data is needed to develop an understanding of any individual. Counseling is a learning process. Primarily, the individual learns. And secondarily, the counselor learns.

As a set of specific activities, counseling includes four major objectives: (1) Helping the individual unstand himself and his environmental opportunities; (2) helping the individual make choices, decisions, and adjustments (as he understands himself and his environment); (3) Helping the individual accept responsibility for the decisions he makes; and (4) Helping the individual initiate a plan to put these decisions into effect.

These objectives are accomplished primarily through a series of counseling interviews which take place in a private atmosphere on a one-to-one relationship between a professionally prepared counselor and the individual.

When these four objectives have been accomplished under these conditions, we say real counseling has taken place.

We continue to grow in understanding of counseling "essentials." In selecting counselors, officials of the Employment Security Commission emphasize professional training and competence. Also, an increasing number of local ESC offices are providing private counseling quarters. Employment counseling is just as personal as educational, marital or other type counseling. Nothing is more personal than feelings, beliefs, and attitudes surrounding our vocation. When we speak of our jobs we speak of ourselves, and it is difficult for us to reveal our vocational incompentencies, disappointments, hopes and plans.

Through our work we maintain self-identity—and dignity.

The person seeking employment

counseling is neither neurotic or psychotic. His personality is normal. He is, however, an individual who has exhausted his own resources for obtaining suitable employment. He may have sought the aid of friends, or scanned the newspaper classified ads, before coming to the employment office for help.

By definition, every applicant who comes to the local Employment Security Commission office has a need for placement. An individual who seeks counseling at the local office has the problem of occupational adjustment as well as problems of job placement.

The problem of occupational adjustment includes two broad categories of applicants: (1) Those persons who have made no occupational choice (they may have made several job choices), and (2) those applicants with a history of unsatisfactory performance in past jobs.

When the individual comes to the office, chances are he will experience some concern and anxiety. There may be some emotional problems evident along with the more objective problems peculiar to occupational choice or adjustment to work.

These problems of occupational choice and work adjustment are parts of the broader problem of personality adjustment. They cannot be separated for distinct treatment while ignoring the rest of the individual of whom they are an integral part. To pretend to do so is to ignore the reality of the situation.

High school youths, both graduate and dropout, comprise the majority of those individuals "who have made no occupational choice." As job seekers these young people have meager or no advantages, because their skills are limited. Their number increases at a blistering pace, and within the next decade one-half of our national labor force wil be younger than 25 years of age.

At a time when our Nation's strength depends upon the "quality" of its workers, employment counseling to youth is vital.

We must continue to work with the public schools and improve our ability to identify the youth in need of vocational counseling. Our counseling service to young people must extend beyond mere job placement. Employment counseling must effect the young person's motivations, help him adapt and understand his dynamic society.

We must help every element of our society understand that in all work there is dignity. I believe there is a craze toward professionalism, and not enough respect for hard work.

Within the scope of our counseling service to young people, we must encourage high schools to expand their curricula to include courses in occupational choice and the "role of employment." I believe too many youngsters are graduating from high school lacking the essential knowledge about the multi-dimensional world of work.

Our youth counseling service must reflect our imagination as well as our professional competence. During the summer we plan to have high school counselors work with high school youth in close cooperation with our vocational counselor. With these two skilled technicians of human understanding working together, much can be accomplished during the following year.

ESC counseling services are extended not only to young people, but also to the aging American citizen who finds it increasingly difficult to locate satisfying work. Great numbers of elder citizens are becoming displaced as a result of plant modernization and automation. Unlike young people, the older groups have organizations working in their behalf in every state and in Washington.

In addition, our counseling service is available to handicapped workers, prison releases, and to the individual with a history of mental illness.

The Employment Security Commission counseling service is not advice giving, selling, urging, persuading or recruiting. Counseling is not synonymous with selection classification, and assignment. Counselors are not concerned with: "Which of these many applicants is the best man for the specific job?" Rather, we are concerned with: "Of the many jobs available, which is the most appropriate for this man?"

It is vitally important that these distinctions be kept clearly in mind. These questions represent important aspects of the total job to be accomplished, and counselors need to think in terms of the job to be done, not in terms of numbers and time.

The expanding Manpower Development and Training Act, Area Redevelopment Act, and Services to Youth program place heavy demands and broader responsibilities upon our counseling program. The ESC counselor, as well as all Commission personnel, are ready to accept the responsibility and contribute to the growth and value of our society.

In their short history, the people of the United States have progressed from great producers of tangible material items to a mature, effluent society extending the great intangibles of human services. We have heeded the words of Socrates; "Physician, heal thyself." The employment counselor is happy to be a part of the great procession!

STATE TIGHTENS RULES TO ASSURE SAFE TRANSPORTATION OF MIGRATORY WORKERS

BILL CROWELL

N. C. Department of Motor Vehicles

The safe transportation of migratory farm workers in North Carolina is governed by an act ratified by the 1961 General Assembly, with the administration of its provisions assigned to the Department of Motor Vehicles.

Major portions of the act relate to the mechanical condition of vehicles used in migratory worker operations, while other provisions govern the age, experience, skill and physical condition of drivers.

The act is designed to complement Federal regulations applicable to the transportation of migratory workers, with enforcement powers delegated to all state, county and municipal law officers.

A handbook published by the Department of Motor Vehicles outlines in detail the regulations and responsibilities to be observed by persons engaged in the transportation of such farm workers.

In several passages concerning vehicle and equipment condition, the law is quite specific. Officials recall that a ramshackle truck contributed materially to one of the nation's worst traffic smashups in June, 1957. Twenty-one migratory farm workers, loaded aboard the truck, were killed in a collision near Fayetteville when the deteriorated old vehicle failed to stop at a stop sign.

The booklet specifies that no vehicle shall be operated in the transporation of migratory farm workers unless the following specific components are serviceable and in good working order:

Service brakes, parking brake, steering, lighting, tires, horn, windshield wipers, rear view mirror, coupling devices, fire extinguisher, road emergency equipment, exhaust system, first aid equipment, directional signals, and unobstructed windshield and window glass.

The section further cautions driv-

(Continued)

ers to "make use of such parts, accessories, and devices when and as needed."

This tends to eliminate the propensity of most private car drivers to "put off" needed repairs, or to get by with indifferent windshield wipers or a leaky muffler.

The transportation act also spells out conditions under which the vehicle in question may be operated. First, it can only be a bus, a truck, or a truck and semi-trailer. Closed vans are prohibited.

Speed limits must be carefully observed, the vehicle must be properly loaded; doors, tarpaulins, tailgates, and other rigging must be securely in place, and complete stops are to be observed at railroad crossings.

Once on the road passenger safety and comfort is insured by rigid specifications governing passenger compartments.

In brief, the law requires occupied spaces to meet these requirements:

Floors: Substantially smooth . . . without cracks or holes.

Sides: Side walls and ends above the floor at least 60 inches high . . . by attachment of sideboards if necessary.

Nails, screws, splinters should not be allowed to project into the passenger carrying space.

Seats: Adequate seating for passengers . . . securely attached to vehicle . . . planed smooth, free from splinters and cracks.

Weather protection: In inclement weather, top at least 80 inches high with facilities for closing sides and ends . . . straps to be fastened securely.

Exit: Adequate entrances and exits . . . at least 18 inches wide.

Gates and doors: Must be provided . . . easily opened from either side . . . equipped with latch.

Ladders or steps: Required when distance from ground to floor of vehicle is a foot or more.

Hand holds: Must be provided.

Communication with driver: Some system (bells, speaker tubes, etc.) must be provided to enable passengers to communicate with the driver.

Protection from cold: During winter vehicle must be equipped with a permanently mounted heater.

Regulations concerning drivers are equally specific.

Basic qualifications include a minimum age of 21 with at least a year's driving experience. This experience, one section points out, must include driving during each of the four seasons as well.

The act requires drivers to possess a valid North Carolina chauffeurs license. It further requires every driver to be able to speak and read English, sufficiently so to understand traffic signs and signals and directions.

The latter, incidentally, is not required of applicants seeking a regular driver's license. Illiterates are licensed regularly—after passing special examinations.

Violation of any of the provisions of the transportation law constitutes a misdemeanor.

A complete summary of applicable rules concerning the transportation of migrant workers may be had from the Department of Motor Vehicles.

Newly elected State IAPES President J. B. Harris holds his first executive meeting with officers Mary Elizabeth Noe, Joan McIntyre, Helen Gay, (first row, L to R) Jim Filipski, Doug Carter, Marvin Burton, Edsan Bates, and Dick Smith. Eastern Vice President of the organization, James Tew, was not present when the picture was taken. Harris has served the ESC for 21 years.

SUPERVISOR OF ESC FIELD REPRESENTATIVES NAMED PRESIDENT OF STATE IAPES CHAPTER

J. B. Harris can't say he joined the race for State IAPES president by accident, but it wasn't exactly planned, either.

State IAPES members had nominated two men for president in '62, but one nominee withdrew, leaving the other candidate unchallenged. With some reluctance, Harris agreed to accept the replacement candidacy, but by the time campaigning was over and the ballots had been cast at the state convention in Raleigh, the Supervisor of ESC Field Representatives found himself president of the 850-member statewide organization and winner of one of the most closely contested races in years.

Forty-two years old, Harris has been with the Employment Security Commission 21 years, "half and half," as he says, and has been supervisor of Field Representatives since 1954—a group of 37 men who operate about the State with the task of determining employer liability under the Employment Security Law.

Long active in the International Association of Personnel in Employment Security, Harris has previously served as western district vice president, as a member of various committees, and has attended three international conventions.

Just prior to his election as IAPES president, Harris learned that he had been named president of the Optimist Club of Raleigh. No newcomer to civic activities and parliamentary procedures, the ESC supervisor has served as commander of the Capital City Post 297 of the American Legion, vice commander of an American Legion post in Concord, and two terms as area chairman of the State Employees Association.

Son of a "farmer-politician," Harris hails from Harris, a small town named for his father. He graduated from Appalachian College in Boone, N. C., studying social science and math. After a brief stint at school teaching, he joined the ESC as an interviewer in the Hendersonville office and subsequently served in the Army during WW II.

Harris is married to the former Louise Alexander of Mecklenburg County and they make their home in Raleigh with a 12-year-old son.

As IAPES president, Harris says his "chief concern is to use the IAPES as a tool to better acquaint members with the overall work of the Employment Security Commission in a manner that will enable them to do a better job, achieving full cooperation between all divisions and departments."

Almost 200 committee members, guests, and employer representatives attended the Mid-Atlantic Regional meeting of the President's Committee on Employment of the Handicapped, October 15-16, in Asheville. Delegates from nine Mid-Atlantic states convened to exchange ideas and focus attention on the problems of retraining and employment of handicapped persons.

Sponsored by the Governor's Committee on Employment of the Handicapped and the Employment Security Commission, the two-day session marked the first time the Mid-Atlantic Conference has been held in North Carolina. A joint meeting of members from both committees, the conference was presided over by H. Gilliam Parker, ESC area supervisor in Asheville. James Massenburg, with the ESC central office in Raleigh, was secretary of the conference and arranged the schedule of speakers.

A number of State officials were on hand, including Governor Terry Sanford.

ESC Chairman Henry E. Kendall, Walter Fuller, Director of State Personnel and Charles H. Warren, Director of Vocational Rehabilition, were interested observers at the conference. Each man is particularly concerned with retraining and employment of handicapped workers. Last fiscal year, Vocational Rehabilitation people helped rehabilitate and make self-supporting 5,674 workers. During the same time about 6,600 handicapped persons found employment through local ESC employment offices, but state officials concede that much more work is needed to break the barriers of acceptance which stand between the handicapped worker and the employer.

The Mid-Atlantic Regional Conference in Asheville contributed greatly to public awareness of employment needs of handicapped workers, and it followed closely national and statewide observance of National Employ the Handicapped Week.

NORTH CAROLINA HOSTS MID-ATLANTIC CONFERENCE OF PRESIDENT'S COMMITTEE ON EMPLOYMENT OF HANDICAPPED

Taken from The ASHEVILLE CITIZEN TIMES, Lewis Green, Staff Writer

State concern for the plight of job-seeking handicapped persons was voiced by Governor Terry Sanford Monday night (10/15/62) at a banquet held by the Middle Atlantic States Regional Meeting on Employment of the Handicapped in the Battery Park Hotel.

Gov. Sanford, taking time out from a whirlwind political caravan headed by Vice President Lyndon Johnson, told delegates from 10 states and the District of Columbia that ". . . we appreciate an opportunity to exchange ideas with you about how to better provide opportunity for our handicapped to hold down jobs."

The regional meeting is being held in conjunction with the annual meeting of the Governor's Committee on Employment of the Handicapped, and was attended by several members of the President's Committee.

"I can't add much to your deliberations here today," the Governor said, "and I could have learned much had I been able to attend your earlier sessions.

"I'm not in a position to tell you people who have devoted so much time to this problem how to go about your jobs. Your work is commendable. Our government couldn't go on and couldn't be effective were it not for people like you.

"My main purpose in coming here is to say that I'm very grateful. You are adding to the total resources of our State. In these times, we cannot afford to give away any of our potential. We need the skills of all our people.

"You are not only helping handicapped people, but also the entire State and nation by providing work for people who heretofore, not by their own desire, have been a drag on the economy.

"A few years ago people would have considered it a waste of time to try to break down prejudices about employing handicapped persons. Speaking for the State administration, I say this is a good proposition that you work at.

(Continued)

WILLIAM C. BOREN
Chairman, Governor's Committee

HAROLD RUSSELL
Vice Chairman, President's Committee

CORBETT REEDY, Charlottesville, Va.
CHARLES ROBERTS, Johnstown, Pa.

Dr. John MacIver
U. S. Steel, Pittsburgh, Pa.

"The State government is not cold, remote and removed about individuals. We must have concern for the individuals involved. This work that you do is full of meaning. I'm grateful we have people like you who are concerned," the Governor said.

The Governor was introduced by William C. Boren, III, chairman of the Governor's Committee.

At a luncheon earlier Monday held in the Battery Park, R. C. Coleman, director of employment and employee activities for Eastern Airlines in Miami, Fla., addressed the conference on profitable aspects of hiring handicapped, and quoted an ancient Scottish verse to describe the spirit of most handicapped.

"I'm hurt, Sandy Barton cried. "I'm hurt but not slain. I'll lay me down and bleed awhile, and I'll up and fight again."

"We are all handicapped on certain jobs," Coleman said, "so in a sense all of us are out of place at certain employment. Since ancient times handicapped people have contributed to progress and civilization," and Coleman cited, among others, Thomas Edison, Moses, Homer, Franklin D. Roosevelt and Helen Keller, as people who overcame handicaps and went on to greatness.

Coleman said that the Hire the Handicapped program has reached an amazing impetus in Florida, and noted some employers refuse to hire anybody but handicapped persons.

"We must get employers conscious of what handicapped people can do, but let's make sure they are qualified," Coleman said.

Coleman's remarks on qualifications were taken up in depth at a panel discussion during the afternoon in George Vanderbilt Hotel.

The panel, moderated by Thomas H. Ward, Jr., of Cone Mills Corporation in Greensboro, delved into various problems faced by the employer in hiring disabled persons.

J. D. Hofler of Sealtest Dairies in Asheville, said handicapped persons often hide behind their defects to gain special consideration. "We should not discriminate against them," Hofler said, "and on the other hand, we should not let them hide. We must discourage a defeatist attitude.

Moderator Ward urged prospective employers to avoid crusaders and do-gooders who would have industry hire unqualified handicapped workers.

Opening day session of the combined Governor's and President's Committees on Employment of the Handicapped saw a crowd of approximately 200 committee members and conference attendees. This photograph was taken an instant before the meeting convened, prior to the welcome from Earl Eller, Mayor of Asheville.

Governor Sanford addressed the group at its banquet session. Saying "the work that you do is full of meaning," the Governor told the meeting that the "State Government is not cold, remote and removed about individuals," and expressed his gratitude for the work of the two committees. Wilmington's Louis Woodberry is shown on the right. Conducted for the first time in N. C., the conference lasted two days.

Drawing a social problem in, Dr. Logan T. Robertson of Asheville, another panel member, said that often a puzzler was presented by a worker who had once had an emotional or mental problem and was labeled as such, when in actuality the problem had been solved by the worker and might never present itself again.

Harold Russell, vice chairman of the President's Committee, also spoke briefly at a morning session. Russell, a WW II amputee, has played a prominent role in aiding handicapped programs across the country.

COUNSEL

—Continued from page 47—

jections of counsel arising at these hearings. Hearings are conducted in a judicial manner.

Again, during the 12-month period ending October 1, 1962, the legal staff, acting as deputy Commissioners and special appeals deputies, conducted approximately 99 hearings in the field. We act as special appeals deputies in hearings involving strikes, lock-outs, and other labor disputes. As special appeals deputies, the legal staff exercises original jurisdiction in such matters and renders decisions which become the final decisions of the Commission unless appealed. In these cases the attorney acting as hearing officer does not participate in the appeal activity.

Members of the legal staff appear as attorneys at all hearings before the Chairman and Commission involving tax liability and claims for benefits which are on appeal before the Commission. We prepare all benefit decisions and tax liability opinions rendered by the ESC Chairman. During the period October 1, 1961, to October 1, 1962, the legal staff presented before the Commission 314 claims cases on appeal and 800 liability cases. Decisions and opinions in all cases were then prepared by the staff as directed by the Commission.

The legal staff participates in training courses and other meetings of ESC personnel. From time to time we are called upon to address employer-employee groups, civic clubs, conventions of different trade and employer associations and legal fraternities. Sometimes we talk before classes in schools, colleges and universities on all phases of the Employment Security Commission. Attending meetings of the State Advisory Council, staff members make special investigations in regard to personnel, or upon any question or matter assigned to the Office of the Chief Counsel.

It is impossible to relate here all of the functions of the Office of Chief Counsel, but the functions herein enumerated constitute the primary functions of such department.

TOBACCO CROP WAGE AREA DATA AND PREVAILING WAGE FINDINGS

1962 TOBACCO HARVEST

(Continued from Story on Page 45)

ITEM	CROP WAGE AREAS					
	Greene County	Lenoir County	Pitt County	Rockingham County	Surry County	Yadkin County
1. Agricultural Reporting Area and Number	Kinston 3-34-06	Kinston 3-34-06	Greenville 3-34-05	Not Included in Ag. Rep. Area	Winston-Salem 3-34-10	Winston-Salem 3-34-10
2. Period of Seasonal Employment	7/1-8/15	7/1-8/15	7/1-8/25	7/20-9/20	7/20-9/20	7/20-9/20
3. Period of Migrant Employment	7/2-8/15	7/2-8/15	7/2-8/15	7/20-9/15	7/20-9/20	7/20-9/20
4. Survey Period	7/9-7/13	7/16-7/20	7/23-7/27	8/6-8/10	8/13-8/17	8/20-8/22
5. Estimated Total Employment At Peak	8,000	10,000	19,000	7,000	6,000	4,000
6. Estimated Total Jobs During Survey Period	19,000	25,000	39,000	25,000	24,000	15,000
7. Estimated Migrant Jobs During Survey Period	400	800	200	300	200	900
8. Total Tobacco Farm Units	1,267	1,918	2,712	2,880	3,170	2,687
9. Sample Tobacco Farm Units	131	157	235	205	206	123
10. Total Tobacco Acreage	12,428	14,468	28,128	13,563	11,139	8,374
11. Sample Farm Tobacco Acreage	3,320	3,238	6,286	2,242	1,648	694
INTERSTATE Wage Rates:						
12. Priming	$1.00 hr.	$1.00 hr.	$1.00 hr.	$ .90 hr.	$ .90 hr.	$ .90 hr.
13. Handing	.60 hr.	.60 hr.	.50 hr.[2]	.90 hr.[2]	.60 hr.[2]	.60 hr.
14. Looping	.60 hr.[2]	———[2]	———[2]	.95 hr.[2]	———[2]	.60&.75 hr.[2]
PREVAILING Wage Findings:[1]						
15. Priming	$1.00 hr	$1.00 hr.	$1.00 hr.	$1.00 hr.	$1.00 hr.	$1.00 hr.
16. Handing	.60 hr.	.60 hr.	.50 hr.	.75 hr.	.75 hr.	.75 hr.
17. Looping	.60 hr.	.60 hr.	.50 hr.	.75 hr.	.75 hr.	.75 hr.

[1] Wage rates for In-State workers are the same as prevailing wage findings.
[2] Insignificant number of Interstate workers.

GARNER

—Continued from page 26—

"by trying to see that each items are unique and better than homemade items. Not everyone knows it, but most commercially prepared preserves and jellies are of higher quality than those that are homemade."

Thad's brother, Harold, serves as secretary and treasurer of the company. Ralph Garner is vice president in charge of production and plant control. The father, Samuel Garner, is chairman of the board. Until 1946 when the company was incorporated, the business was a four-way partnership, with each Garner holding one-fourth interest.

Recalling The Past

Recalling the past, Thad says it is "fortunate that we only remember the good things about the past. If a man could see all that's ahead of him in a venture like this, he might end up working on the railroad. Back when I started, in the depression, there wasn't much else to do but go into business for yourself. It's hard to start a business now."

Saying that there is a continuous fight for shelf space in the stores, Thad believes that a company "can have the finest products it's possible to make. But unless you get it on the shelf and before the buyer, you can't sell it.

"We operate under three regulations," Thad says, "the Food and Drug Act, the State Board of Health, and our conscience."

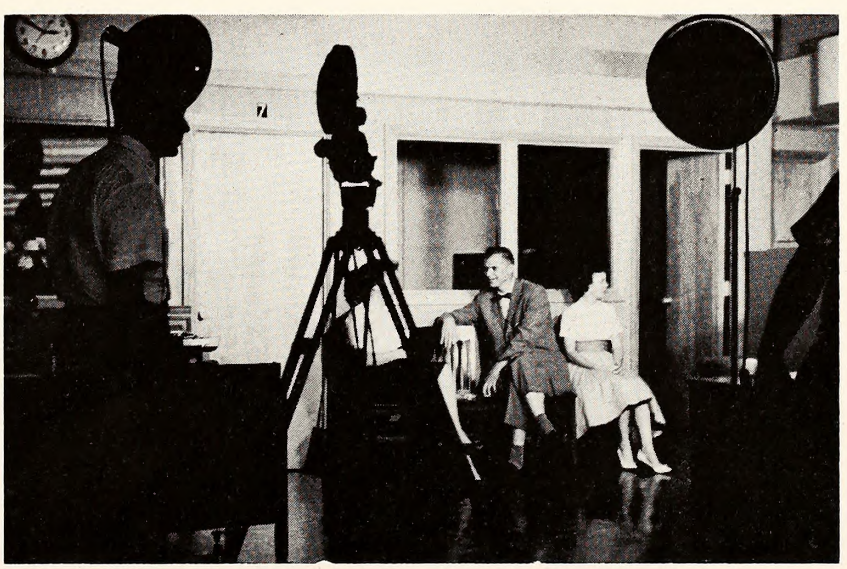
New Motion Picture Depicts Roll Of Employment Security

A 28-minute, sound on film, color motion picture has recently been completed which visually presents the State's Employment Security Law and the program of unemployment insurance in North Carolina.

Produced by the Religious Film and Recording Artists of Raleigh, the new motion picture updates a similar ESC film which was outdated when the 1961 General Assembly amended several provisions of the law. The Purchase and Contract Division of the State Department of Administration accepted the Religious Film and Recording Artists' bid from three submitted from in-state and out-of-state film makers.

Portraying a jobless worker's search for employment and his claim for unemployment insurance payments, the film was produced almost entirely from scenes shot at the Raleigh local office of the Employment Security Commission and at the Commission's central office. Unexpectedly finding themselves in the movie business, ESC employees took the rolls of employers, claimants, and often "played themselves."

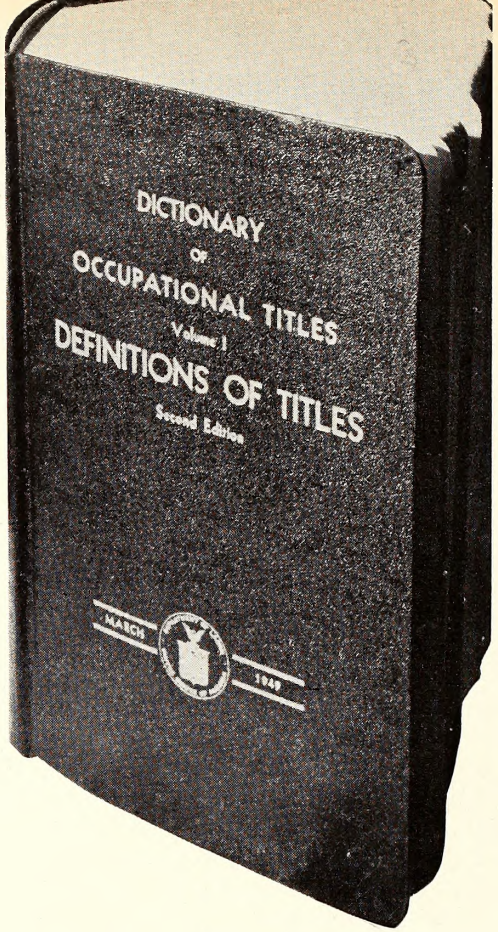
From a script assembled by the ESC Information Office, the producer and his company filmed the exterior and interior scenes after almost two weeks of day-to-day shooting. Final production consumed several summer months. Scenes, artwork, narration, and musical score were checked and rechecked before the initial print was delivered. Additional prints of the film are now available.



Staff members of the Raleigh local office of the ESC prepare to make a scene in the Claims Deputy office. All interior and exterior scenes which depicted an Employment Security Commission office were made at the Raleigh unit. Al Stewart, photographer, stands silouhetted at the left. The film is now being distributed.

How Many Jobs Can There Be?

D.O.T.



MILTON E. BASS and STANLEY ROSE

ESC Occupational Analysts, Field Center, Raleigh

What's your job?

Whether you are a bookkeeper, barber, electrical inspector, auditor or attorney, chances are your job is listed and defined in the Dictionary of Occupational Titles.

This dictionary, which defines jobs rather than words, contains 1,518 finely printed pages of job title definitions. First compiled by the U. S. Employment Service in 1939 to provide descriptive information on jobs in the American economy, the DOT was published for use by the 1,800 public employment offices throughout the United States to classify jobs as well as workers. In 1949, a second publication was necessary to reflect changes in jobs that had occurred since 1939. The present dictionary (1949 edition) contains definitions for some 22,000 jobs. Since many jobs are known by more than one title, all significant titles are kept in the dictionary for reference purposes. There are over 40,000 job titles listed.

By 1958, jobs had changed so drastically that a third edition became necessary. That edition is now being compiled with much of the information being obtained in North Carolina from employers in all sections of the State. Gathering and classifying the job information is the responsibility of the Occupational Analysis Field Center, a unit of the Employment Service Division of the N. C. Employment Security Commission. The field center is under the supervision of Clarence C. Bass, Chief Occupational Analyst.

North Carolina Selected

Publication of the DOT is sponsored by the U. S. Department of Labor's Bureau of Employment Security in Washington. It selected North Carolina as one of seven states to participate in this nationwide study. Actual observations got underway about three years ago.

The job analysts assigned to the field center are given four weeks intensive training to prepare them for observing jobs and recording their observations and organizing data into a complete job definition. Three weeks of training is received in the central office of the Employment Security Commission in Raleigh, and the final week's instruction is given by personnel in Washington. Studies prepared by the analysts are reviewed by Helen Caldwell, former interviewer in the Gastonia ESC office, and Melvin Starnes, former counselor in the Wilmington local ESC office.

Across the State

Since beginning the project, job analysts have visited over 320 industrial North Carolina plants from one end of the State to the other. Analysts have observed and taken notes on approximately 5,500 workers on the job, which included interviews with foremen or with the worker himself. The industries studied include not only the state's major group but industries many Tar Heels do not realize exist in the state.

Most of us are familiar with agriculture, furniture, hosiery, textiles and tobacco industries. Other groups visited were cottonseed products, insecticides, mortician goods, stonework, screens and weatherstrip, glass manufacturing, canning and preserving, smoking pipes, logging, fertilizer, wooden box, veneer, paper and pulp, electronics, mirror, bakery products, concrete products, quarrying, basketry, house furnishings, grease and tallow, and printing and publishing.

Participation by employers was voluntary and appointments were made by the nearest local ESC office. Employers responded cooperatively. They realize an improved selection of workers could result from an up-to-date inventory.

How is a job classified? As the analyst stands and observes a worker, he notes completely what the worker is doing, how he performs, and why he is doing it. If this is not readily observable, the analyst must either question the worker, his foreman or supervisor. The analyst also makes an appraisal of typical working conditions for a job and the physical activities demanded of a worker to perform the job. He also determines the amount of education a worker needs for the job, and the average length of training needed in order to perform the work in an acceptable manner. After all this information is taken into consideration, the temperaments and aptitudes required to perform the job are rated in comparison with established benchmarks for similar jobs. When all of the information is accu-

Members af the ESC Occupatianal Analysis Field Center in Raleigh are Linda Bryant, Milton Bass, Stanley Rase, Eimer Van Court, W. T. Boykin, Jack Edwards, Mary Helen Caldwell, Sara Harton, Hugh Ebert, Clarence Bass, and Melvin Starnes. These are staff members wha far several years have researched jabs in Narth Caralina, written definitians, and pravided classificatians ta be included in the next federal editian af the Dictionary af Occupatianal Titles.

mulated, the analyst writes a definition for the job that reflects all significant tasks performed. Definitions are written in a concise manner, and while they must be as brief as possible, no significant information is omitted. This is not as easy task, for occupational analysts must take several pages of information and condense them into a definition of only a few lines.

A worker was observed in plants that manufacture wooden boxes, for example. He was assembling sides of boxes and nailing the sides together. As the analyst observed this worker and prepared his notes, he covered these questions:

"Does this worker cut the sides of boxes?" In all factories visited this worker uses wood that has been cut for him.

"Are all boxes exactly the same in size and shape?" This worker assembles and nails boxes made in a variety of sizes and shapes.

"By what title is this worker known in the factory?" He is known inmost factories as a "hand nailer."

"What tools does he use?" This worker uses a hammer in nearly all instances. Occasionally the worker fastens the boxes using a pneumatic gun.

"How does this worker receive instructions concerning quantity, shape, and size of a box?" He is given a drawing, or a sample box to follow. He also works from oral instructions. He lifts sides of boxes to his work table. Frequently the pieces weigh about 20 pounds, and occasionally a very large box may have sides weighing around 50 pounds.

Next, the analyst needs to know what other physical activities are required to perform the job, and what working conditions the worker will encounter on the job. The analyst estimates the time the worker spends standing, walking or sitting, and the amount of weight lifted, carried, pushed or pulled. The worker frequently stooped and kneeled to assemble and nail boxes or sides of boxes. He also was observed reaching for the handling hammer and nails and sides of boxes. No more than normal conversation and no more than normal vision seemed required on this job.

Work was performed inside the building and in close proximity to other workers. Noise was estimated at 70 decibels (about the noise level of an accounting office) and was not considered uncomfortable. Hazards such as mechanical, electrical, fire, explosive, and radiant energy were not present. There were no unusual atmospheric conditions, such as fumes, odors, dusts, mists, gasses, or poor ventilation.

No specific amount of education is required of a worker on this job, according to his supervisor. The supervisor was also asked the length of time required to train a person to perform adequately on this job. Estimates from four different plants ranged from two weeks to two months.

Most important temperament required for this job seemed to be the ability to adapt to repetitive, short-cycle tasks performed under specific instructions. Aptitudinal requirements were the ability to visualize three-dimensional forms in space; to perceive pertinent details on surfaces; to coordinate eyes and hands rapidly and accurately; and to move the hands easily and skillfully in placing and turning objects.

How It Was Written

After studying and evaluating the notes taken on this job and comparing these factors with jobs already rated in technical manuals and instruction manuals, the analyst prepared this definition:

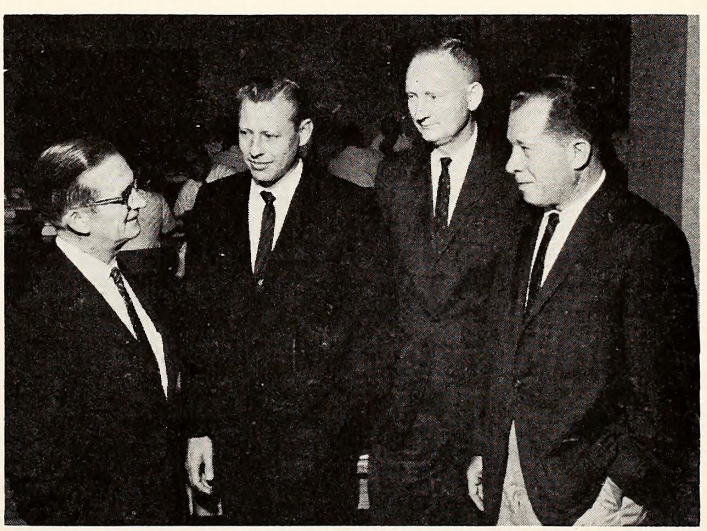
"Assembles and nails together precut boards and panels to make such products as boxes, packing cases, or pallets: Positions cleats, boards or veneer panels on table or in jog, following blueprints, sample product, or oral instructions. Nails boards together at designated places, using hammer or pneumatic gun. May apply glue to joints before nailing."

The analyst determined that the title most frequently used for this job is "Box Maker, Wood." At one plant the job was called "Hand Nailer," so the plant title was retained as an alternate title. An evaluation of the job showed that by comparison with other jobs, a "Box Maker, Wood," is unskilled.

This job was observed in four different plants where wooden boxes are made. The definition, as written, is a

(Continued)

The N. C. ESC was responsible far canducting classes an job classificatian to representatives of Emplayment Security graups in Mississippi, South Caralina, Georgia, Alabama and Florida. A group of about 17 job analysts attended the caurse in Raleigh an job descriptian.



Charles Lave and Clarence af Raleigh conducted the class on job descriptian. Pictured abave are Love; William Eves, Emplayment Service Advisar, Regian Four, Atlanta; Bass; and Lean Lewis, Chief of Jab Analysis Branch with the Bureau af Emplayment Security.

composite of the four observations.

Information concerning physical demands, working conditions, temperament, aptitudes, education and training time does not become a part of definition. However, this information is used extensively by counselors in employment offices to determine suitable work for handicapped workers, young persons who have no work experience, and older workers who find it necessary to change occupations because of obsolete skills. This information has also been used extensively by Veterans Employment Representatives when counseling veterans who had no work experience before military service or those who find it necessary to change occupations.

In No Other State

After the definitions prepared by North Carolina analysts are reviewed at the field center, they are sent to the Bureau of Employment Security in Washington where they are combined with definitions from the other participating states. North Carolina was selected as a participating state because it has diversified industry—some that are not found in other states.

The Dictionary of Occupational Titles has many uses. It is used by all public employment offices throughout the United States to classify workers who apply for jobs, and to classify orders received for workers. A complete listing of properly defined jobs is necessary in order to match a worker with a job opening. The dictionary was used extensively during the last war to classify skills of servicemen and civilians, particularly those civilians whose skills were critical to the war effort. Schools, libraries, and other reference sources use the dictionary when information is needed pertaining to a job or a group of jobs. Foreign countries have dictionaries similar to ours.

Continually Changing

There are over 40,000 jobs listed in the dictionary but coverage is not complete nor completely up-to-date, since jobs and job requirements are continually changing. Past issues of the DOT have been printed at approximately 10-year intervals, but job changes are now so frequent and so drastic that a 10-year span could make entire segments of the dictionary obsolete. For this reason the Federal Bureau of Employment Security plans to publish a new edition every five years with supplemental information published as soon as changes in industry or jobs occur. The North Carolina job analysis will remain a major contributor to this program.

The field center has recently received, as future assignments, a

—See D.O.T., page 65—

UNC INSTITUTE OF GOVERNMENT SITE OF STATE IAPES CHAPTER ANNUAL MEETING

About 270 members of the North Carolina IAPES Chapter gathered at their 11th annual Institute, October 25-26, at the UNC Institute of Government Building in Chapel Hill, N. C.

The International Association of Personnel in Employment Security meeting was one with a slight touch of the Cuban crisis as featured speaker Robert C. Goodwin, Administrator of the Bureau of Employment Security in Washington, had to cancel his appointment at the last moment to remain in the capital.

Phil Foltman, advisor to Goodwin and member of the staff of Cornell University, hurriedly filled in and delivered the initial speech to the assmbled personnel of the State Employment Security Commission.

Commission Chairman Henry E. Kendall and John Saunders, director of the University's Institute of Government, welcomed the group.

Theme of the '62 Institute was "The Challenge of the Expanding Employment Security Program."

George H. Esser, Institute of Government; Dr. Frank T. deVyver of the Duke University Department of Economics; and Ralph Turner from the Region III BES office participated in a panel discussion of "Utilizing Manpower in our Changing Economy," during the opening afternoon session.

The following day, Conrad Smith, Employment Service Advisor with the Regional Office discussed "Services of Youth." A film entitled the "Dropout" was shown the assembled ESC people, followed by a talk on juvenile delinquency and youth crime from Institute of Government staffer V. L. Bounds.

A round table discussion concluded the Institute. Members James Filipski, manager of the Greensboro local ESC office; John Fleming, Warren Wittmer, Hugh Cashion and James French, all from the ESC central office in Raleigh; and Louis Berini, manager of the local office in Durham, presented respective functions of the Employment Security Commission in administering the Area Redevelopment Act and the Manpower Development and Training Act.

During the two-day session, International awards were presented to Tar Heel IAPES members for last year's activities.

President J. B. Harris awarded to past president Richard Smith and past membership chairman Clarence Bass a "100 Club" scroll for 1961 attainment of 100 percent of its quota during 10 of the past 11 years.

Past state IAPES officials Howard Winstead and Wilfred Eddinger received the "Paul C. Winner" award for attaining the highest membership percentage in the group in which North Carolina is a member.

Stote IAPES President J. B. Horris, left, chots with Institute of Government Director John Sounders, Phil Foltman of Cornell University, ond ESC Choirman Henry E. Kendoll ofter Foltmon's opening day speech before on estimated 270 members ottending the 11th annuol Chopter Institute of the Internotional Associotion of Personnel in Employment Security.

Informing, Advising, Counseling . . . ESC Personnel Office Has Many Functions

SUSAN WOMBLE

Director, ESC Personnel Department

WOMBLE

The Employment Security Commission's Personnel Office serves the entire agency in various matters pertaining to personnel.

The office is responsible to the Commission, after recommendation by the division or joint service head, for handling the agency's personnel transactions within the framework of the N. C. Merit System, the State Personnel Department, and the State Budget Bureau, and for maintaining records and files on these personnel transactions.

The phrase, "within the framework," means that this office must see to it that the rules, regulations, and procedures of the foregoing agencies are adhered to in the Commission's personnel actions. The Employment Security Commission answers to these three agencies in much of its dealings with agency personnel as well as in matters pertaining to the hiring of new employees. Commission personnel matters are also supervised at the federal level.

Principal activities of the Personnel Office include recruitment, interviewing and appointment of personnel. The office assists department heads in the state administrative office select suitable employees by screening applicants and referring only those applicants who can meet the established requirements for the various positions. The Personnel Office also works with Area Supervisors and local office managers in expediting their applicant selection and appointment.

During the past fiscal biennium, 244 appointments were made to fill positions throughout the Employment Security Commission. During this same period, the Commission's staff averaged approximately 1150 employees each month—employees carefully selected with a view to their competency for making a real contribution to the various programs the Commission administers for the people of our State. Commission staff was increased to assist in carrying out the following services and programs: Temporary Extended Unemployment Compensation, job placement, employment counseling, employer relations, labor market analysis, and occupational analysis.

The office effects transfers, promotions, reclassifications of employees, re-study of positions, and other actions as recommended by division or joint service heads and approved by the Chairman. In connection with the promotion and reclassification of employees to other positions within the agency, the Personnel Office is responsible for maintaining promotional registers established by the Merit System office from the examinations given for the various positions. It also informs directors, department heads, and other supervisors who is eligible and available on these registers for appointment to the various promotional positions to be filled. The initial recommendation for promotion or reclassification is made from the register of eligible employees by the department head or supervisor.

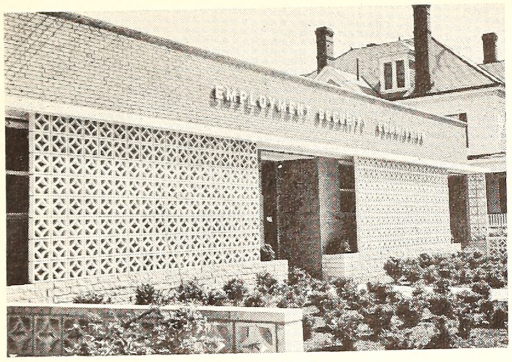
Promotional positions are filled by agency employees when possible. When filling vacancies where no promotional register exists, i. e. where Commission employees' names are not on the register, it is usually necessary for the Personnel Office to recruit qualified applicants from outside the agency. During the past fiscal biennium, a total of 210 employees of the Commission were promoted to higher positions within the agency.

The Personnel Office is also responsible for administering the Commission's employee performance rating system, including regular annual ratings covering all employees, and probationary and special ratings on new employees and others. Work performance rating is accomplished by the employee's immediate supervisor and reviewed and approved by higher supervision. However, the agency Personnel Office must see to it that current rating regulations and procedures are followed and that, in so far as possible, the standards of rating are uniform throughout the agency. In connection with administering the rating system, the Personnel Office is charged by the Chairman of the Commission with seeing that the employee is informed of his right of appeal and that his appeal hearing is conducted fairly and impartially.

Among the most important functions of the Personnel Office is that of informing, advising and counseling employees on matters concerning them and their jobs. The employee is interested, for example, in his current status under the State Merit System, or the educational and work experience qualifications for various promotional examinations. He wants to be familiar with regulations governing sick leave, annual and other types of leave. From the Personnel Office the employee learns of the rating system and his own rating. He gains information on retirement and many other pertinent matters.

The Personnel Office is always open for visits or letters from employees of the agency. Serving employees is not a duty. It is a pleasure.

Agnes Perry, stenographer, fetchingly strikes a pose with several hundred of the personnel records maintained by her office. Filed in one room at the Commission's headquarters in Raleigh are 2,640 active and 5,040 inactive personnel records of present and past ESC employees.



WILMINGTON

NEW BERN

EDENTON

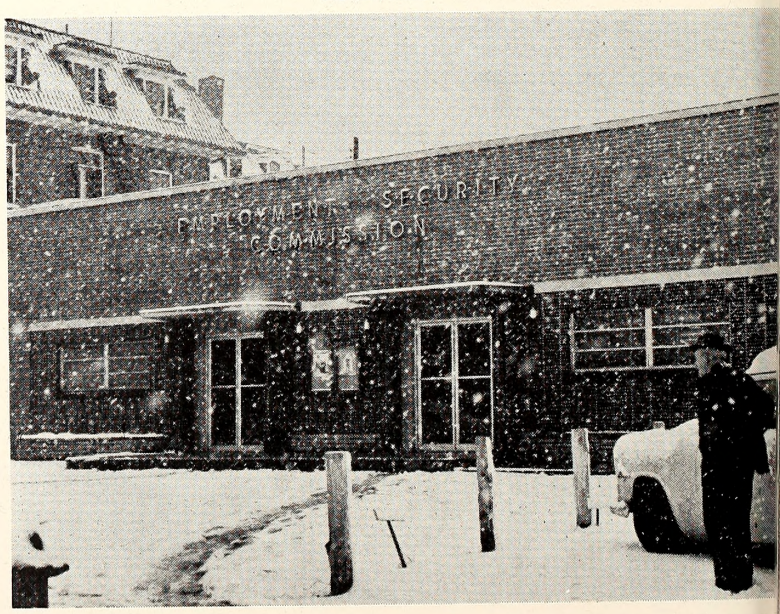
Commission Offices Often Vary In Architecture, But Similar In Services To Local Areas

FOREST CITY

ROCKY MOUNT

NEWTON

ASHEVILLE



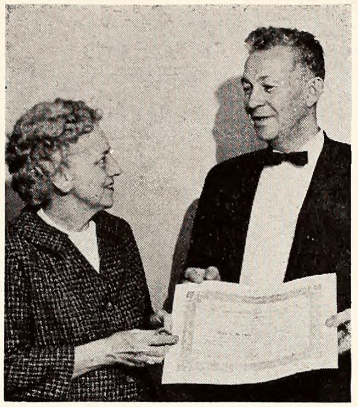
20-Year Employees Gain In Number, Receive Pens and Certificates

When employees of the Employment Security Commission reach their twentieth year with the ESC, they receive their first service pen and certificate.

There is also a "20-Year Club" they may join.

This is a featured day in the lives of these people as they round out their 20th year of service to the state. According to the Personnel Office records, here are the ESC employees who have completed 20 years employment: UI Division: Gertrude T. Franck, Claims Examiner, State Office; Elsie G. Mason, Claims Examiner, State Office; H. C. Bristol, Claims Examiner, Statesville; William Heyward, Appeals Deputy, Asheville; Bessie M. Polier, Claims Examiner, State Office; Bailey C. Bowling, Accounting Clerk, State Office; Mary C. Wells, Clerk, State Office; and Edwin Stanhope Dunn, Supervisor of Reports and Analysis, State Office.

From the ES Division: Oilliam P. Michie, Interviewer, Durham; Mary Helen Caldwell, Occupational Analyst, State Office; Mary B. Ketchie, Interviewer, Winston-Salem; Marie F. Brewer, Interviewer, Concord; Annie J. Cooper, Interviewer, Raleigh; Mabel M. Marshburn, Interviewer, Wilmington; Marie E. Scroggs, Interviewer, Asheville; Elizabeth Hudson Brinkley, Interviewer, Lexington; Catherine C. Posey, Interviewer, Asheville; and DeBrayda Fisher, Waynesville local office Manager.



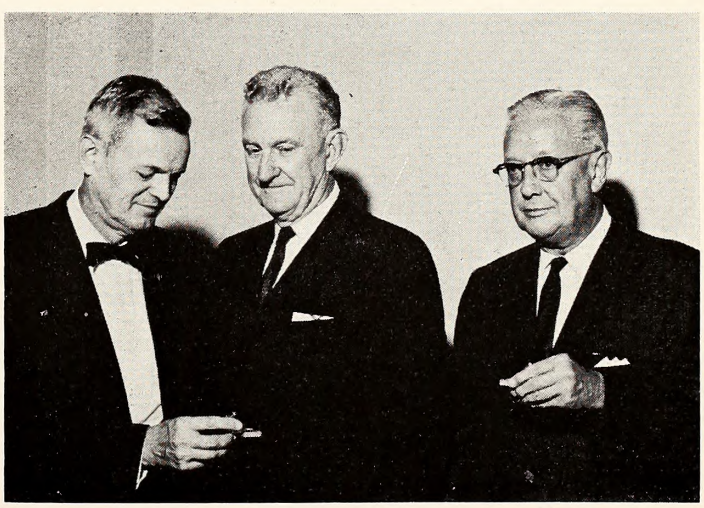
(Abave) MARIE E. SCROGGS receives certificate fram Gilliam Parker. BESSIE POLLER (right) fram Cannie Ragers and Doug Hayle.

And when the ESC QUARTERLY went to press it was learned that there are 17 employees of the Employment Security Commission who are in their 30th year of state employment. There are two deceased. From the group of 17, three are retired. They will pictured in a subsequent issue of this magazine. Unique, probably, is that Lee J. Craven, manager in Raleigh, has spent his 30 years in the same office, as has Earle Brockman, manager is Gastonia.

ANNIE J. COOPER, Interviewer, receives pen from Raleigh manager Lee Craven.

Elmer Van Caurt, Edsan Bates and Clarence Bass award certificate ta MARY HELEN CALDWELL.

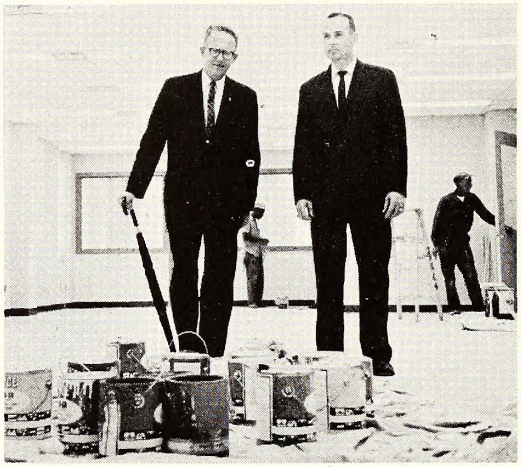
Sam Teague (left) and Connie Rogers give certificates to GAYNELLE FRANKS (left) and ELSIE MASON.



Chairman Henry Kendall (left) presents pens ta commissioner DAVE HALL and Chief Counsel BILL HOLOMAN.

State IAPES

When the State IAPES chapter held its convention at Raleigh's Sir Walter Hotel, a host of ESC employees from across the state gathered to hear Louis Levine, Director of the U. S. Employment Service (above), and Governor Sanford (right). Georgia's Director of Employment Security, Marion Williamston, was also a featured speaker at the convention.



Moving Day

Because of crowded space in the central office, ESC Industrial Services, Area Supervisors and Evaluation and Training people moved into the new State Credit Union Building. They now occupy the third floor. Smiling between several stacks of records during the move was Nina Gower of the Area Supervisors' office (left). At right, Edson Bates and Carl Harrelson of Industrial Services contemplate their new quarters.

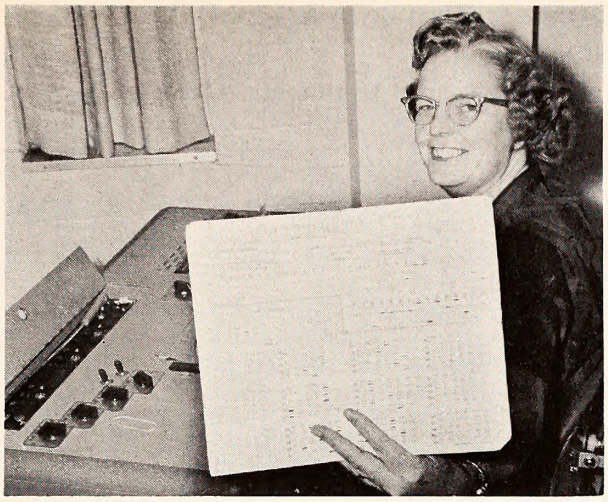
. . . and Formal Openings

Two formal openings of ESC local offices marked the past several months' activities. At right Area Supervisor Phil Pollack (left) poses with the staff of the Edenton office in their new building—Alice Bond, Jasper Hassell, Mildred Munden, and manager William Hollar.

Area Supervisor Henry Shepherd, manager Richard Smith (extreme right) and the staff of the new Rockingham Employment Security Commission office have their formal picture taken at the recent opening-day festivities.

Here's the interior of the newly remodeled and enlarged office in Rockingham located on South Randolph Street. The new quarters provide adequate interviewing and testing space. Well lighted with paneled walls and acoustical ceiling, the interior layout at Rockingham is typical of new ESC offices.

AND NEVER DESPAIR OF ACTIVITIES . . .



Dorathy Antone, clerk typist, Industrial Services, graded 3,342 general aptitude test batteries in October. During the first full week in Navember, aver 1500 sets af GATB's were scored and returned ta the local offices.

Schoal drapauts were the subject af the Asheville "Put Youth On A Jab" cammittee. Shown with mayor Earl Eller ore (L ta R): Beach Keller and Clyde Haltsclaw of the lacal ESC affice; educotar David Millard; mayor Eller; Gilliam Parker and Nannie Michael of the ESC. Seated is Clarence Brantley, committee chairman. Civic, educatianal and municipal government leaders attended the meeting.

Token in the labby of the Institute of Government building in Chapel Hill, this picture shows part of the crowd which attended the State IAPES Institute. The two-day meeting wos ottended by aver 250 emplayees of the Employment Security Commissian.

Grody Reagan and his renditian of "That Blaody Wor" at a recent Cloims Deputy meeting held in Raleigh. It was the first central meeting af the ESC Deputies in over two yeors. The picture was token during the banquet at the 2½-doy offoir.

Manager Changes Involve Several Local ESC Offices

When Area Supervisor Fay Harmon of Asheville announced her retirement from the Employment Security Commission, effective November 30, it set into motion a series of promotions and changes which involved five local ESC offices.

Succeeding Mrs. Harmon was Winston-Salem office manager John Wilson. Thirteen years with the Commission, Wilson became Area Supervisor on December 1 after almost 10 years as an office manager. Headquarters for the district were moved to Shelby. Mrs. Harmon made her office in Gastonia.

When Wilson became Area Supervisor it opened a manager vacancy in Winston-Salem and Grover Teeter was tapped by the Employment Service Division to move from his manager job in Burlington and take over duties as Wilson's successor. It was the second move within a year for Teeter who was manager at Washington before coming to Burlington. With five years managing experience, he is a 12-year veteran with the Commission.

John R. Fish also has 12 years with the ESC. A manager for 11 years, he was named to manage at Burlington, leaving Roanoke Rapids. As Teeter's replacement, the move for Fish was effective December 1.

Dwight Leonard, who within the year had received a promotion from Veterans Employment Representative in Jacksonville to manage the Washington local ESC office, was notified that he would move to Roanoke Rapids, succeeding Fish. Leonard has had 11 years service with the Commission. Leonard's replacement came from Kinston. He was R. E. Cheek, a Veterans Employment Representative from the Kinston local office and a man with 18 years as an ESC employee.

Two endeared and longtime office managers with the Commission died in 1962, Bonny Wilson of Asheville and Carl Baber of Mt. Airy. Replacing Baber was John Wilson from Thomasville, and Wilfred Eddinger moved from his post as VER in High Point as Wilson's replacement. Phillip Penland was assigned managership of the Asheville office. Earlier in the year, Buell Bailey, former Edenton manager moved to Shelby to take over that office when John Flemming came to the central office in Raleigh. Taking the vacant Edenton post was William Hollar.

KENDALL NAMED PRESIDENT OF INTERSTATE GROUP

Delegates attending the 26th annual meeting of United States employment security officials in Portland, Oregon, elected Henry E. Kendall of Raleigh president of the Interstate Conference of Employment Security Agencies.

Chairman of the North Carolina Employment Security Commission, Kendall was given a unanimous vote from administrators of the nation's employment security programs in the 50 states, Peurto Rico, and the District of Columbia. He was nominated by conference members from Maryland, and succeeds Curtis P. Harding of Salt Lake City.

KENDALL

It was the ESC chairman's second term as president of the nationwide group, having served a one-year term in 1953-54.

An estimated 400 state administrators, U. S. Labor Department representatives and guests attended the three-day west coast meeting. The Interstate Conference meets annually to improve the effectiveness of unemployment compensation laws and employment services across the country, and the '62 conference approved 16 resolutions concerning the administration of unemployment insurance and employment service.

AREA SUPERVISOR RETIRES WITH 25 YEARS SERVICE

Mrs. Fay D. Harmon, Area Supervisor with headquarters in Gastonia, retired from the Employment Security Commission on November 30 after 25 years service with the state.

HARMON

She joined the ESC in 1937 as a senior interviewer. In 1952, she was assigned as a field supervisor in Charlotte and two years later was named Area Manpower Director in Charlotte.

Mrs. Harmon received her Area Supervisor appointment in 1945 in Charlotte, and was transferred to Gastonia in the following year.

She will be missed by her fellow ESC employees for the gentlelady has served with distinction and dedication during her quarter-century with the Commission.

She was honored at a recent IAPES administrative area meeting in Hickory, receiving gifts and plaudits, and her retirement was featured in the Hickory DAILY RECORD.

CUBAN REFUGEES SEEK EMPLOYMENT IN N. C.

For almost two years refugees from Cuba have entered the United States. During this time, the Cuban Refugee Center in Miami, Florida, which is operated by the federal government, has registered close to 3,000 highly professional job seekers. With the tremendous surge of exiles entering Florida in December, the total is, without doubt, higher.

Attorneys, architects, bankers, physicians, nurses, teachers, management personnel, engineers, clerks, and laborers have applications for employment in the States. Cooperating with the refugee center, the U. S. Employment Service is assisting literally thousands of qualified Cubans find jobs, and the Employment Security Commission of North Carolina has received over two dozen applications which have been distributed to select local offices about the state.

The number of refugees living and working in North Carolina is uncertain, because many have found employment and homes through relatives and friends. Language difficulty seems to be the greatest deterant to the Cuban job applicant and placement has not been rapid, neither through state or private efforts. Nevertheless, Cubans have found jobs in North Carolina by possessing needed skills or by willing to take what's available.

A needed skill brought Manual Menendez to Fayetteville. A Cuban factory owner and clothes manufacturer, Manuel landed a job with the local Christy Manufacturing firm because "we badly needed a pattern maker and couldn't find one in the area," say officials of the company. Makers of stuffed toy animals, the Bumcombe County plant needed a man who could cut layers of cloth and patterns with an electric knife. In Manuel, the company received a bonus, for not only was he a skilled person with the electric knife and accomplished pattern cutter, but was familiar with the machinery at Christy Manufacturing because he had operated similar equipment at his factory in Cuba. His factory, reports the 41 year-old refugee, now stands unused. The English he understood

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and spoke was learned since his arrival in the United States.

His countryman, 51-year-old Roberto Agromante, was a municipal judge in Cuba's Camequay Province for 23 years. Like Menendez, he arrived in the United States over a year ago and now lives in Goldsboro where he is employed as a custodian for the local community center. After leaving Miami, Agromante taught Spanish at East Carolina College for some time and with his wife and 18-year-old son he hopes to teach school again. But in the meantime, the custodial job is the best he can find.

He will return to Cuba, "only when Castro leaves," Argomante explains. He says the same persons he sentenced in court as felons and mis-demeanors returned in the olive drab of Castro's militia to tell him how he should conduct his courtroom.

"This I could not permit," he says.

Agromante and Menendez are just two refugees who have found employment with some assistance from the Employment Service. There are probably hundreds of cubans in the Tar Heel State, existing wholely unlike their life in Cuba.

PURINA

—Continued from page 37—

a program of expansion which included the opening of three new mills in 1933, two in 1934 and another in 1935. Purina volume started an upward climb in 1933 and almost every succeeding year has experienced a higher volume. During Donald Danforth's active leadership as president from 1932 to 1956, the Company experienced its greatest growth. He became Chairman of the Board in 1956 and Raymond E. Rowland was made president of the Company.

The history of the Ralston Purina Company dramatizes the development of a great industry from infancy to maturity. Where products were simple and few at the beginning, today more than 100 laboratory-researched and farm-proven Chows for livestock, poultry, and domestic game birds and animals are manufactured by the Ralston Purina Company and distributed in the famous checkerboard bag.

D. O. T.

—Continued from page 58—

listing of 26 industries. It is the job analysts' task to keep occupational information up-to-date and on a continuing basis from these industries. A number of special long-range development projects also are planned. They are designed to improve the effectiveness of basic occupational analysis tools and techniques in ESC local office operations.

The studies for the new edition of the DOT are about complete. After a review by the Bureau of Employment Security in Washington, the DOT will probably be available by late 1963.

Occupational analysts presently assigned to prepare definitions for the new DOT and develop special types of occupational information are: Robert C. Babcock, former interviewers with the ESC office in Statesville; Jack D. Ewards, former counselor in Albemarle; Hugh A. Ebert, former VER in Greensboro; Walter T. Boykin, Jr., former VER in the Fayetteville office; Elmer R. Van Court, former counselor in Raleigh; Stanley M. Rose, former interviewer in Greensboro; and Milton E. Bass, former manager of the Edenton local ESC office. Clerical work for this group is handled by Sarah Horton and Dorothy Holland.

WOMEN'S CLUB

—Continued from page 10—

—thus, united with millions of other women we can build for a better happier, and healthier world. An outstanding project of this type is the Dr. Minnie L. Maffett Chinese Nurses Home at Taiwan, Formosa, which provides decent living quarters for the nurses to enjoy after a hard days work in that war-torn island. For this project, $100,000 was contributed by BPW Clubs in our Federation and named in honor of Dr. Minnie L. Maffett, past National President.

Awards Scholarships

One of the major projects for the Raleigh Club for a number of years has been the annual award of nursing scholarships at Rex Hospital. By financing these scholarships, the Raleigh Club has enabled many worthy girls to receive professional training in the much needed field of nursing. This year a scholarship has also been awarded to a young polio victim so she can further her education at Wesleyan College in Rocky Mount.

The Business and Professional Women's organization and all its members have worked on the local and National level to sponsor and support public thinking and legislation that will improve the position of women in all areas of women's activities.

We are striving to advance the position of women through the support of legislation to provide an Equal Rights Amendment to the Constitution of the United States: "Equality of Rights under the law shall not be denied or abridged by the United States, its territories, possessions or in the District of Columbia on account of sex".

Sponsored Bill

Our local Club sponsored the Bill to give uniform jury service to men and women in this State and a number of our members have served as jurors. Our members are working with the Federation, as a whole, toward legislation such as equal pay for comparable work; equal educational opportunities for men and women; uniform retirement age and uniform benefits for men and women in government employment; and for equitable tax adjustments. We are supporting legislation to strengthen measures to promote public health and safety—but opposing legislation toward government controlled health insurance and medical care.

The BPW member belongs to the Club because she has a real desire to affiliate herself with women of like interests and ambitions. She feels a spiritual and intellectual need to develop her talents as a leader and to widen her professional horizons. She wants an opportunity to participate in far reaching programs and projects to elevate the standards of women in business and in the professions. She wishes to promote the interests of business and professional women, and to bring about a spirit of cooperation among this group. The BPW member hopes to extend and obtain opportunities leading toward career advancement through education along lines of industrial, scientific and vocational activities.

Special Satisfaction

In the Business and Professional Women's Club there exists an opportunity to enrich one's professional and personal life by participating in the club's activities at the local, State and National level. One obtains a special satisfaction by belonging to the world's greatest organization of working women—all dedicated to the same objectives according to the same general plan. To obtain these rewards one must be more than a "meeting-and-eating" member. She must participate and keep informed. Activities include publication of The Tar Heel Woman by the State Federation and The National Business Woman by the National Federation.

My experience as a BPW member has made me acutely aware of the need for people to work together toward a common goal, and has opened the door to many cherished friendships. As President, it has given me a sense of pride and prestige in being associated with the leading national organization for business and professional women.

PUBLICATIONS OF EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

Biennial Reports, 1936-1938; 1938-1940; 1940-1942; 1942-1944; 1944-1946;1946-1948; 1948-1950; 1950-1952; 1952-1954; 1954-1956; 1956-1958; 1958-1960; 1960-1962.

Employment Security News (mimeographed)—weekly, started in 1936 by the North Carolina State Employment Service. Not issued during Calendar year 1945.

The UCC Quarterly

Vol. 1, 1942-Vol. 4, 1945

The E. S. C. Quarterly (Name changed April 1, 1947)

Vol. 5—No. 1, Winter, 1947—Granite, Marble, Stone
No. 2-3, Spring-Summer, 1947—Brick, Tile, Pipe, Pottery
No. 4, Fall, 1947—Rural Industries

Vol. 6—No. 1, Winter, 1947—Pulp, Paper, Paper Products
No. 2-3, Spring-Summer, 1948—Dairy Products
No. 4, Fall, 1948—Insurance
Index to Vols. 5 and 6, 1947-48, in Vol. 7, No. 2

Vol. 7—No. 1, Winter, 1949—Banking
No. 2, Spring, 1949—Fertilizer Manufacturing
No. 3-4, Summer-Fall, 1949—Trade Wholesale-Retail

Vol. 8—No. 1-2, Winter-Spring, 1950—Hotels, Restaurants
No. 3-4, Summer-Fall. 1950—Milling: Flour, Feed, Meal
Index to Vols. 7 and 8, 1949-50, in Vol. 9, No. 1-2

Vol. 9—No. 1-2, Winter-Spring, 1951—Newspapers, Printing
No. 3-4, Summer-Fall, 1951—Tobacco Manufacturing

Vol. 10—No. 1-2, Winter-Spring 1952—Furniture Manufacturing
No. 3-4, Summer-Fall, 1952—Textile Manufacturing

Vol. 11—No. 1-2, Winter-Spring, 1953—Hosiery Manufacturing
No. 3-4, Summer-Fall, 1953—Transportation

Vol. 12—No. 1-2, Winter-Spring, 1954—Machinery Manufacturing
No. 3-4, Summer-Fall, 1954—Apparel Manufacturing
Index to Vols. 11 and 12, 1953-54 in Vol. 14, No. 1-2

Vol. 13—No. 1-2, Winter-Spring, 1955—Food Processing
No. 3-4, Summer-Fall, 1955—Building Construction

Vol. 14—No. 1-2, Winter-Spring, 1956—Heavy Construction
No. 3-4, Summer-Fall, 1956—Automotive Industry
Index to Vols. 13 and 14, 1955-56 in Vol. 15, No. 1-2

Vol. 15—No. 1-2, Winter-Spring, 1957—Small Industries
No. 3-4, Summer-Fall, 1957—Radio, TV Stations

Vol. 16—No. 1-2, Winter-Spring, 1958—Chemical Industry
No. 3-4, Summer-Fall, 1958—Chambers of Commerce

Vol. 17—No. 1-2, Winter-Spring, 1959—Apparel Industry
No. 3-4, Summer-Fall, 1959—Farming

Vol. 18—No. 1-2, Winter, Spring, 1960—Tobacco
No. 3-4, Summer-Fall, 1960—Furniture Industry

Vol. 19—No. 1-2, Winter-Spring, 1961—Financial Institutions
No. 3-4, Summer-Fall, 1961—Military Organization

Vol. 19—No. 1-2, Winter-Spring, 1961—Financial Institutions

Vol. 20—No. 1-2, Winter-Spring, 1962—College Edition

POSTERS:

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Notice to Workers as to Benefit Rights While on Vacation.

CIRCULARS AND FOLDERS:

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Special Reports and Studies

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Wage Survey of Weekly Wage Scales for Selected Occupations—Limited primarily to jobs found in State Government and also in industry—mimeographed—June 1962.

Analysis of Hires and Placements in Two Areas. 1959 Mimeographed, 60 pages.

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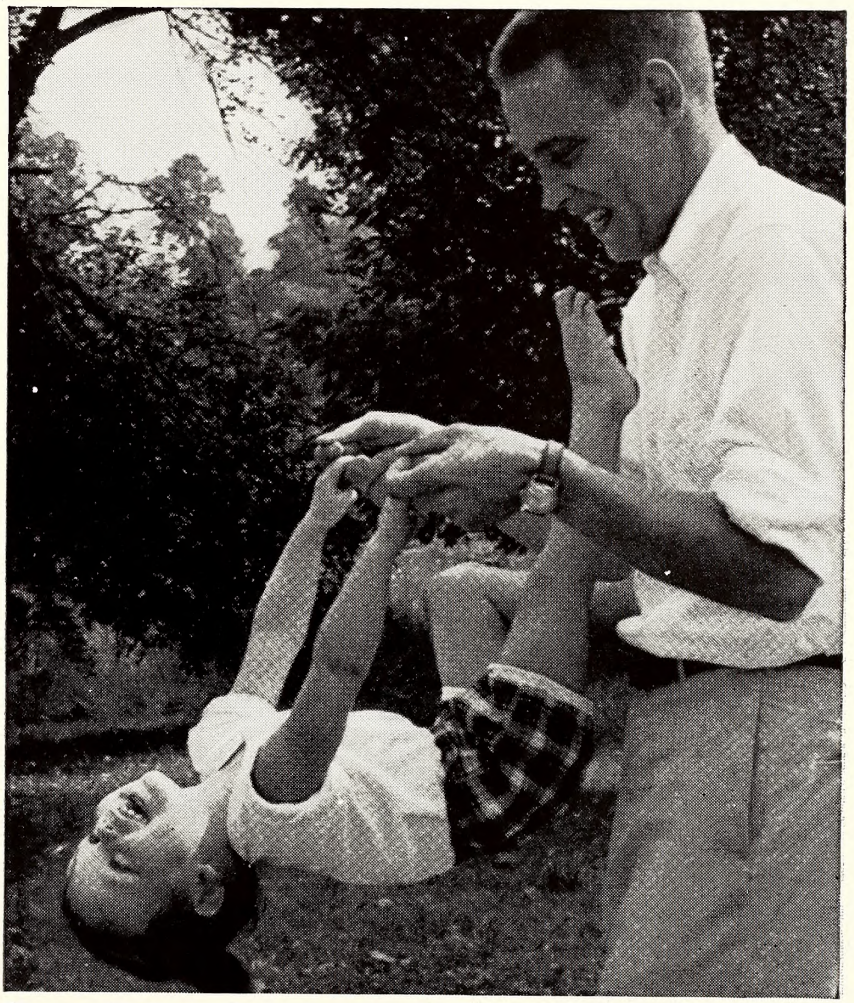

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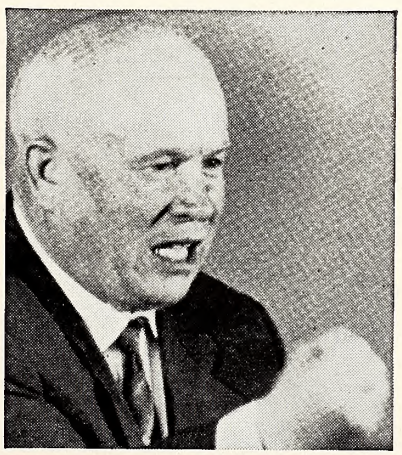

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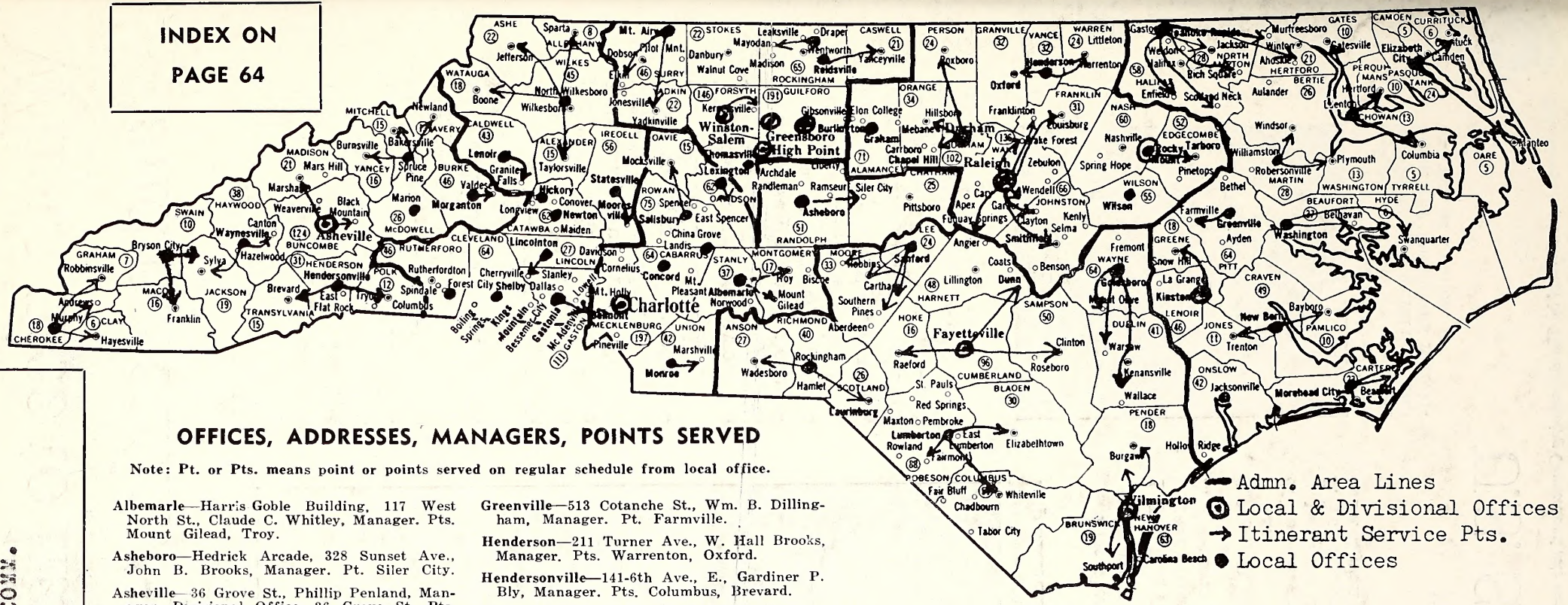

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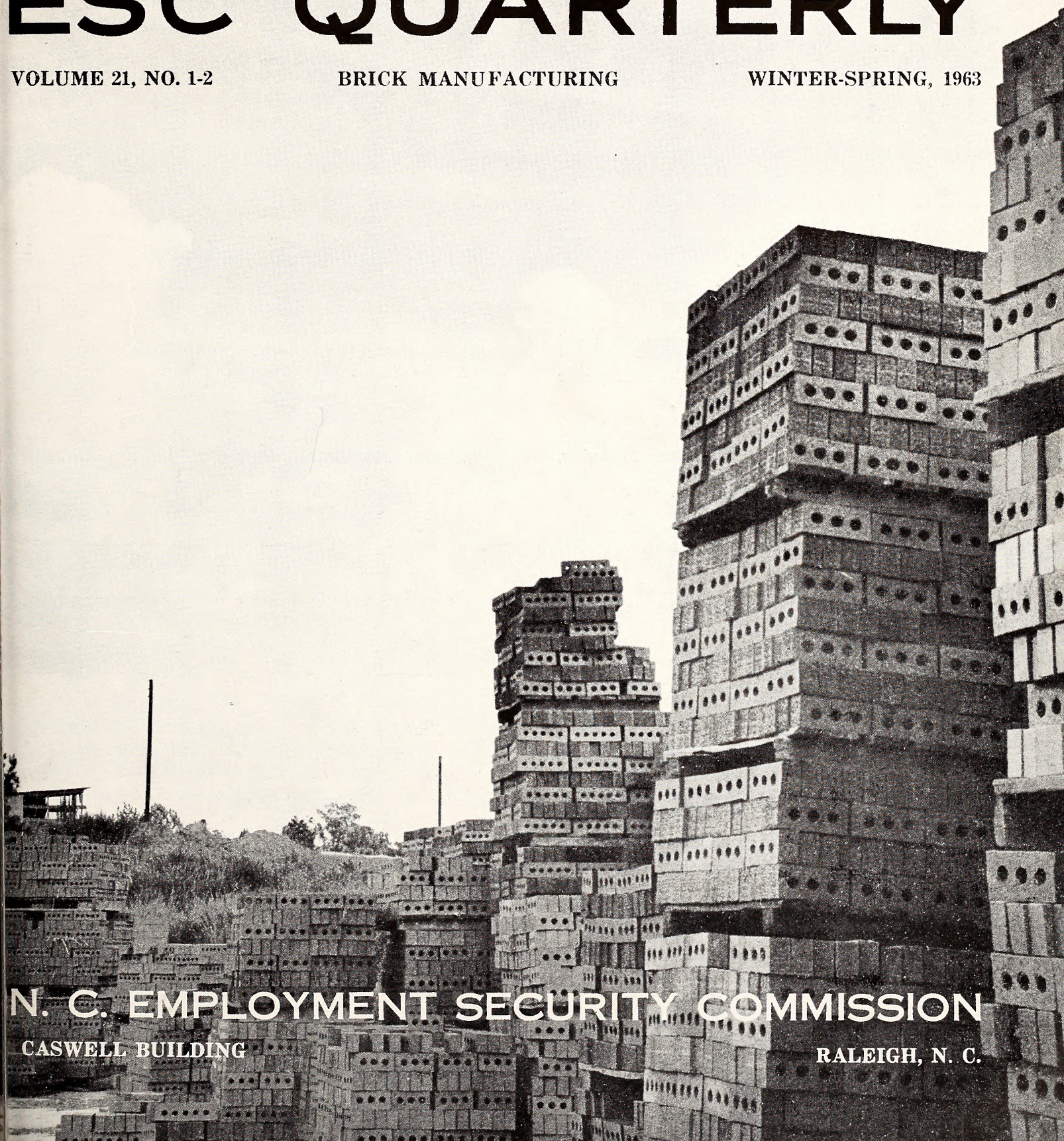
THE ESC QUARTERLY

VOLUME 21, NO. 1-2 BRICK MANUFACTURING WINTER-SPRING, 1963



N. C. EMPLOYMENT SECURITY COMMISSION
CASWELL BUILDING RALEIGH, N. C.

KENDALL

CHAIRMAN'S COMMENTS

HENRY E. KENDALL
Chairman
N. C. Employment
Security Commission

North Carolina has attained the reputation as the number one brick manufacturing state in the nation. Our land is "blessed with an abundance of clay and shale," a substance of quality brick, reports the author of one of the articles included in our ESC QUARTERLY edition on brick manufacture.

We wish to enhance this statement and credit the men of initiative who have developed the brick industry within North Carolina. Reading the stories submitted by our brick makers, it becomes evident that since the turn of the century the industry has experienced multiple changes as mule power and hand labor gave way to automation and intricate machinery. When new methods were needed the industry developed them. Seeking added efficiency, the industry devised the tunnel kiln. When fast, up-to-date handling devices were needed, they evolved from industry trial.

So, North Carolina is a major supplier of brick to builders across the United States. Today, brick is not only a building material of strength and durability, but through mass production of various shapes, sizes and colors it has added another dimension. It appears that the use of brick is limited only by the builder's or architect's imagination.

During 1962 our brick makers produced 688,000,000 bricks, a significant 47 percent increase over production figures 10 years ago. As does every element of industry, brick manufacturers contribute beneficially to our State and its people, and, speculating on the next 10-year period, industrialists predict it to be a time of high employment and additional production records. Their experience and ingenuiety validates, indeed, this optimism.

In 1963, the U. S. Department of Labor observed its 50th anniversary and the Federal-State public employment service became 30 years old. This is a significant period of service to the nation, and on the opposite page we have reprinted from a Washington publication the statements made on this occasion by U. S. Secretary of Labor W. Willard Wirtz and by Robert C. Godwin, Administrator of the Bureau of Employment Security.

With every graduating senior class of high school and college students North Carolina's labor force must absorb a new group of young, ambitious job seekers. Economists tell us that rural population is deplenishing, with both Negro and white farm people turning to the city for employment. Cities grow and consume, residentialize, zone and join, tear down, rebuild, market and purchase. Employment opportunities come with growth and expansion and thousands of new workers bid for jobs, employment demands becoming enormous and skills more essential. Beginning in this edition of the ESC QUARTERLY is a series of articles which we hope to continue for several issues—the study of labor market conditions as they exist in our State's cities. Our local Labor Market Analysts have prepared these stories which begin on page 27.

(See COMMENTS, page 46)

The E. S. C. Quarterly

(Formerly The U.C.C. Quarterly)

Volume 22, No. 1-2 Winter-Spring, 1963

A special edition devoted to brick manufacturing in North Carolina, another Tar Heel industry which ranks first in the nation.

Issued at Raleigh, N. C., by the

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Cover Legend

Seemingly about to topple, pallets of bricks stand four and five deep on the clay-rich soil of Lee County, one of North Carolina's most abundant brick-producing areas. Brick yards are common sights to North Carolinians and the dusty red haze of the factory is familiar to many communities. North Carolina produces more brick than any other state in the nation, and the pallets in the cover photo will not stand long before they are shipped out to the construction site.

NEW DIMENSIONS FOR LABOR

As the U. S. Department of Labor this year observes its 50th anniversary, it looks also to the high significance of the relationship between that occasion and the 30th anniversary of the Federal-State Public employment service. For no effort is closer to the central concern of the Department of Labor than is that carried on daily by the State and local offices of the Employment Service.

It happens also that as we observe these anniversaries, we are faced with what is perhaps one of the most imposing national tasks ever placed before any sector of Government. Indeed, the whole question of employment, unemployment, and manpower utilization—with which we are so directly concerned —has been characterized by President Kennedy as "the number one domestic challenge of the 1960's." It is a challenge today underscored by a persistent 5- to 6-percent rate of unemployment.

The factors which have created this situation are well apparent to the men and women in the public employment offices, but two of them are particularly deserving of attention. The first is dramatically illustrated in the fact that 1 million more people will be reaching the age of 16 this year than did last year. The second relates to a drastic decline in our average annual increase of new jobs in the private economy. Between 1947 and 1957, that increase ran at a rate of about 1.9 percent a year; since then it has dropped to around 0.9 percent. In new job totals, that means that where we were experiencing annual gains of 700,000 during the first period, that figure has declined to about 175,000 in the second. Population expansion is thus combining with declining job creation in the private sector to set the stage for a task of unprecedented magnitude for both the Department of Labor and the public employment service.

For the Employment Service, the basic challenge ahead is one of becoming, in a true sense, the "Community Manpower Service Center" in every labor market area which the USES serves. If its 30-year history of testing placement and related activities has always sugested the validity of this concept, new missions assigned to it under the Area Redevelopment Act and the Manpower Development and Training Act serve to reemphasize it.

For both these acts are dependent for their success principally upon the welding of a community of interests in towns, cities, and areas all across the country. In most instances, the required leadership and unifying influence will have to come from the local office of the Employment Service. That leadership and that influence ought to extend, in addition, to a point beyond basic implementation of the training activities these acts envision. MDTA and ARA, more importantly, reflect a whole new American philosophy toward manpower problems, particularly unemployment, and suggest a whole new dimension to the traditional Federal-State employment service role. The Service, in all its offices, should now function as the focal point for whatever varieties of effort each community directs toward the full and effective use of its labor force.

In a new form of cooperation with the Employment Service as it pursues that end, there is at work today in the Department of Labor a new agency of Government which we have termed the Manpower Administration. This arm of the Department brings together all of our missions relating to employment, unemployment, and manpower utilization in general. It is constructed around a framework of three existing departmental agencies: the Bureau of Employment Security, the Bureau of Apprenticeship and Training, and the Office of Manpower, Automation, and Training. The Manpower Administration will seek to weld the work of all Department personnel engaged in this field into a common effort which, we hope, will in time contribute towards a solution of "the number one domestic challenge of the 1960's."

It is to that purpose that I hope that all of us can dedicate ourselves on this the occasion of the anniversary year we share.

W. Willard Wirtz

Secretary of Labor.

THE EMPLOYMENT SERVICE CHALLENGE

A STATEMENT FROM THE ADMINISTRATOR

THE 30th anniversary of the nationwide public employment service system created by the Wagner-Peyser Act is a milestone in the human affairs of this country. Our history of service is a story of people—those many millions who have benefited in some measure by the many-sided activities of the United States Employment Service and its affiliated State Employment Services, and the thousands of dedicated public employees who have made these services possible. In an age when big numbers are all too commonplace, who can regard lightly the human aspects of a cumulative total of 325 million farm and nonfarm job placements? And in a program which is 30 years old, a reflection of pride in public service is shown by the fact that over 4,000 Federal and State employees have been with the employment security system for at least 25 years. Since 1933, the Employment Service has encountered the massive impact of the Great Depression, the demands of a global war and several lesser involvements, and a series of short yet intense recessions and recoveries. Today it faces the challenge of a peacetime economy whose demands are in many ways equal to, or greater than, the crises which preceded it.

At the time the Wagner-Peyser Act created the employment service system, few could foresee the giant strides that would come in science and technology and the evolving philosophy of public responsibility and participation in national affairs. The Employment Service has shown during this period that it is a living institution by adjusting to, and moving with. the times. From its early emphasis on matching men and jobs, it has expanded its mission to include manpower development and utilization, dissemination of labor market information, widespread improvements in the mechanism of the labor market, and final emergence as a fully functioning community manpower center.

In 1961, the President assigned to the employment service system much of the responsibility for carrying out the new Federal manpower programs. These programs not only imposed a heavy workload on the existing machinery, but also created some new and complex problems. For example, improvement in the ES and new responsibilities involved the absorption of 4,700 added workers. There was the problem of fitting program such as those under the Area Redevelopment and the Manpower Development and Training Acts into ES operations. The move to separate physically the locations of the Employment Service and the Unemployment Insurance Service offices in larger metropolitan areas was designed to improve efficiency and to recreate the image of the Employment Service as a manpower agency intead of an unemployment office.

Our Federal-State relationship, which is an outstanding contribution to the science of administrative organization, has enabled us to weather difficulties and crises. Although this is a Nation of striking difference among the States, and even in communities within each State, the Employment Service is one of a few agencies organized to reach down from the national to the community level, with full recognition of State and local differences and their expressions. We shall continue to move forward with a unanimity of purpose.

Despite all the problems and complications of this important task on which we are embarked, we can have strong hope for success in it. The mission ahead is a challenging one that demands intelligence, imagination, cooperation, and plain hard work. It is a sobering though to realize that what we do directly concerns so many of our fellow human beings, their livelihood, and their aspirations. I have no doubt that our experience and dedication will make us equal to our responsibilities.

Robert C. Godwin

Administrator,
Bureau of Employment Security.

ESC Manpower Study Discloses Critical Shortage In Hospital And Medicare Occupations

From The Bureau of Employment Security Research

The Bureau of Employment Security Research study of manpower and training needs for medical and health service occupations has disclosed a perplexing situation in the labor supply-demand in North Carolina's hospital and other medicare institutions. Results of the study, which was completed in June, show a critical need for trained hospital workers at a time when hospital employment is at an all time high in North Carolina.

In many areas there are surpluses of labor, including underemployed people who lack the necessary qualifications for obtaining employment. On the other hand, labor shortages and job vacancies exist in these same areas because of the lack of workers trained in many occupations.

Representing the composite thinking of administrators, directors, and other staff members of more than 400 North Carolina hospitals and other medicare agencies and institutions, the study was requested by the State Board of Education because officials recognized the lack of workers with specialized training for occupations in the medical and health field. The State agency intends to use survey findings to compare trained worker demand for growth and replacement needs with the anticipated trained worker supply from on-the-job training programs, schools and other educational institutions. The study provides a basis for expanding present training programs and initiating new one.

Employment Offered

Hospitals are widely recognized for their treatment and care of patients and for diagnosis and disease research. Their increasing economic importance is not so widely recognized, but it cannot be overlooked. Hospitals represent major markets for innumerable goods and services—and for employment.

The survey disclosed that medical and health employment during the first quarter of 1963 in the institutions studied was approximately 39,600 persons. During 1940 there were just slightly over 15,000 persons engaged in hospital and other health service occupations in North Carolina. By 1950, employment had nearly doubled, and by 1960 hospital and medicare employment had jumped to more than 47,000 persons and has continued to grow.

In 1960, about 67 percent of the total medical and health service employment was in hospitals.

According to ESC research analysts, the following developments since 1940 help explain rapid employment gains in the health service field:

(1) Increased expenditures for medical research, rapid advances in medical knowledge and treatment, and the discovery of new medical techniques and drugs.

(2) Rise in personal income enabling the general public to afford more health services.

(3) Completion of 56 new hospitals in North Carolina since 1945, and, under the Federal Hill-Burton Act, initiation of more medical facility projects in North Carolina than in any other state.

(4) Rapid expansion of subscription to health insurance programs encouraging people to seek hospital and medical care more readily.

(5) Increasing numbers of older persons and the rising public interest in the medical care for these older people.

(6) A greater understanding and increased attention to prevention of illness and to the value of professional medical care.

(7) Continued medical care for veterans and their families.

(8) Trend toward shorter work week for medical and health service workers.

These influences are expected to persist in the future. The demand for new workers, coupled with the demand for additional workers who will be needed to replace those who withdraw from work, retire, or leave the field for other reasons, presents many opportunities in North Carolina for employment in this field during the '60's.

According to the survey, hospital and medicare employment (in surveyed establishments) by the end of 1963 will approach 42,850 persons and nearly 50,000 by end of 1966.

Training Inadequate

Thirty-four occupations were surveyed because employment in this group is expected to increase more rapidly than employment in the whole medical and medicare service field. All employment in this field will advance by 25 percent by the end of 1966, while gains in the 34 selected occupations will rise by 29 percent.

If North Carolina's expansion and replacement needs are to be met, 3,950 additional workers will need training in the selected occupations by the end of 1963, and by year-end 1966 this need will increase to about 11,500 workers.

Hospitals, medical institutions and schools now do extensive training in many of these occupations. However, the survey indicated that this training will meet only 54 percent of the needs by the end of 1963 and only 73 percent of the needs by the end of 1966. Thus, additional training will be required to meet anticipated shortages of about 1,820 workers at the end of 1963 and 3,075 workers at the end of 1966.

Occupational shortages likely exist in other medical and health service areas not studied such as offices of private physicians and dentists, and it is believed that overall net training needs shown in this report are conservative.

Making the survey, ESC Labor Market Analysts contacted employers personally and asked for information about:

(1) Current vacancies.

(2) Present employment.

(3) Anticipated employment to meet future expansion and replacement needs by the end of 1966.

(4) Trainee output by the end of 1966 from on-the-job training and training affiliated schools, where applicable.

400 Institutions Surveyed

Estimates included in this report represent anticipated needs for 210 hospitals and clinics, 193 nursing and rest homes, 75 health departments and 21 other medical facilities.

(Continued)

Existing job vacancies for workers in surveyed occupations during the first quarter of 1963 numbered 1,540, or 39 percent of the estimated additional training needs by the end of 1963. Current need for registered nurses accounted for 650 of the immediate trained worker needs in all occupations revealed by the survey.

Anticipated trainee output for assistant housekeeper, physical therapy technician and hospital equipment servicemen will supply less than 20 percent of the expected total need for each occupation by the end of 1966. Trainee output will furnish less than 50 percent of the total trained worker need by the end of 1966 for each of the 16 occupations studied. Those occupations for which a substantial, but inadequate, amount of training and education is planned include registered nurse, medical-record technician, clinic technician and practical nurse. Planned training is expected to supply more than 75 percent of total demand for each of these occupations by the end of 1966.

Most Significant Need

Eleven of the 34 surveyed occupations represent more than 95 percent of the net requirements for trained workers at the end of 1966. The following occupations show the most significant needs for training:

BY THE END OF 1963

Title	Need
Nurse, Registered-Graduate	531
Nurse, Practical	368
Nurse Aide	278
Orderly-Attendant	161
Secretary-Stenographer, Medical	96
Ward Clerk	63
Cook	63
Medical Technologist	61
Laboratory Technician, Medical	50
Surgical Technician	37
Housekeeper, Assistant	31

BY THE END OF 1966

Title	Need
Nurse Aide	815
Orderly Attendant	440
Nurse, Practical	319
Secretary-Steno, Medical	280
Ward Clerk	228
Cook	195
Laboratory Technician, Medical	176
Nurse, Registered-Graduate	97
Surgical Technician	82
Medical Technologist,	74
Housekeeper, Assistant	70

During the first quarter of 1963, about 1,540 trained workers were needed to fill job vacancies which existed in all surveyed occupations combined. Remember, 95 percent of the present job vacancies were included in the above 11 occupations. Note that the demand for registered nurses ranks first in net training needs by the end of 1963, but drops to eighth position by the end of 1966. However, it is over optimistic to assume that all of those to be trained will enter and stay in this profession. So by the end of 1966, the need will likely be considerably higher than indicated.

How To Be Used

The completed survey, in booklet form, is now available through the Employment Security Commission's Bureau of Employment Security Research. It is believed that the survey can be used by management officials interested in the prospective availability of trained medical and health service manpower in planning their own occupational needs more efficiently. School authorities may find the survey beneficial in planning curriculums because academic and vocational training programs can be planned on the basis of occupational manpower requirements and resources. Results of the survey can be used by young people interested in making an informed choice of a career, or by employment counselors and high school, college and vocational school counselors.

Since information about occupational labor supply and demand are essential for civil defense emergencies and for manpower purposes, civil defense and mobilization people can practically use the hospital and medicare survey. It may also encourage training under the Federal Manpower Development and Training Act and the Area Redevelopment Act.

A Basis for Education

The Employment Security Commission engaged in this study to provide a basis from which training needs can be evaluated so that appropriate vocational education programs may be planned. However, simply establishing the needs for training will not solve the problem of worker supply and demand imbalance. Effective planning and cooperative action is required between employers, staffs of training facilities, educational institutions, and other agencies to help provide an ample supply of workers for occupations in which the demand exceeds the supply.

It also indicates the need for promoting a greater interest on the part of high school graduates and other individuals in continuing their education and training for jobs in these needed occupational fields.

It is hoped that employers can be encouraged to anticipate their employment needs and to train as many of their own workers as possible. More assistance might be provided employers in devising training for occupations requiring short training periods such as nurse aides, orderly-attendants, and ward clerks. Present training programs should be evaluated or re-evaluated in light of present job requirements. On-the-job training should be expanded and promoted to include occupations for which trained workers are needed, thereby accomplishing much to reduce shortages in such occupations as medical secretaries, medical-record technicians. etc. Possibly more extension courses could be instituted for currently employed individuals in the hospital and medicare fields, with employers participating in these training programs by offering incentives to those who respond to this plan.

No U.I. Coverage

Relatively few medical and medicare workers employed in North Carolina are covered by the unemployment insurance program. Therefore, employment figures were not available from this source for establishing a universe and generally results were not expanded to take into account non-surveyed users. It was not feasible to contact all medical and health service establishments during the survey due to the large number of small units with few employees. Indications are, however, that the survey coverage is adequate since census data for total employment in North Carolina medical and health services was about 47,000 in 1960, while the total employment in surveyed establishments during the first quarter of 1963 was about 39,650, with about 23,800 being in surveyed occupations. Thus, approximately five-sixths of the employment was actually included.

Once again, a manpower survey, this time in the medical service professions, has indicated that ample job opportunity will be available for those who qualify, and education is the best insurance against unemployment.

THE BUSINESS DEVELOPMENT CORPORATION OF NORTH CAROLINA

. . . FINANCING TARHEEL BUSINESS AND INDUSTRY

H. POWELL JENKINS

Executive Vice President, BDC of North Carolina

The first state development credit corporation was established in the State of Maine in 1949 and started operations in 1950—13 years ago. Since that time, similar corporations have been established and are operating in all of the New England States and in New York, New Jersey, North Carolina, Maryland, South Carolina, Kentucky, Virginia, Mississippi, Arkansas, Florida, and several other southern and mid-western states. The interest in these corporations has been increasingly active and a large number of other states have either passed legislation or it is pending or being considered. These are privately owned and privately financed corporations. We have been told by quite a number of prominent banking and government officials that North Carolina has the best of these corporations, and it seems the word has gotten around for over the past several years we have received inquiries about the Corporation from banking and state government officials in perhaps half the states of the Union and many foreign countries. In addition, the Raleigh office has been visited by groups of state government and bank officials from a number of states in the Union and from 18 to 20 foreign countries.

Unless Refused

In 1955 it was determined that North Carolina had every attraction for industry, except long-term financing, which is needed in many cases for the establishment of new industry, the expansion of existing industry, and the bringing in of industry from other parts of the country, particularly small industry. For this reason the Business Development Corporation was created. This would supplement the many existing attractions, including natural resources, location, climate, power, transportation, and adequate labor. The need was beyond the conventional lending available through existing financial institutions, and in fact, the BDC cannot make any loan unless it has been refused by at least one bank or other financial institution. While the Corporation is strictly a private institution, it works very closely with the several departments of State government and cooperation is excellent.

The Corporation was created under the provisions of Chapter 1146 of the Session Laws of 1955, as subsequently amended, for the purpose of promoting, stimulating, developing, and advancing the business prosperity and economic welfare of the State of North Carolina. It encourages and assists through loans, investments, and other business transactions in the location of new business and industry in this State, rehabilitates and assists existing business and industry, which tends to promote the business development and maintain the economic stability of our State. It cooperates and acts in conjunction with other organizations, public and private, in the promotion and advancement of industrial and agricultural developments in this State. It is a business organization and all financial assistance rendered is on a basis that full repayment with interest is expected.

The Board of Directors of the Corporation consists of 21 members. All are prominent and outstanding business and professional men of our State and give generously of their time in directing the affairs of the Corporation. Two-thirds of the directors are elected by the members and one-third by the stockholders. Annually, the directors elect an Executive Committee, which is representative of the Board, a Loan Committee consisting of men well qualified for that purpose, officers and General Counsel.

$11 Million Available

The Corporation has an authorized capitalization of $1 million, all of which has been paid in cash by more than 1800 stockholders. Stockholders and members of the Corporation at their annual meeting on February 4, 1963, amended the Charter to increase the authorized capital stock to $2 million. In addition, banks, insurance companies, building, savings and loan associations and other financial institutions may become members of the Corporation, and in so doing agree to lend to the Corporation, on call on a pro rata basis, funds that are small compared to the individual institution but collectively they create a large reservoir of funds. At present, the funds available from our financial institution members total $7.186,500. Also, to supplement the funds available from our members, the Corporation has obtained $2,500,000 in loans from the Small Business Administration under Section 501 of the Small Business Investment Act of 1958. At present, these three sources of funds, together with reserves, make more than $11 million available to the Corporation. The funds available to the Corporation have constantly been on an increase since its beginning, and plans have been made which we hope will result in a further substantial increase during 1963.

Since the Corporation started operations in April, 1956, its volume of activities has been far greater during this period than many of those participating in its establishment anticipated when the Corporation was being organized. As an example, it was originally contemplated that the volume of the company would eventually reach $10 or $11 million in total resources. BDC has already

(Continued)

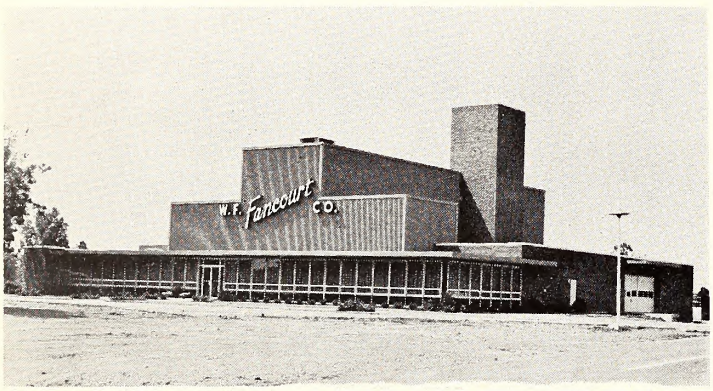
reached those proportions. It has during this period (up to March 31, 1963) approved 193 loans totaling $27,028,665, including $2,971,887 of participations by other financial institutions in several of the individual loans. The largest loan approved thus far is for $600,000 and the smallest is $2,000.

Of the total amount of the Corporation's approvals, 67 percent has been to assist in the financing of the construction of new or the expansion of existing plant facilities; 24 percent for acquisition of machinery and equipment; six percent for working capital; and three percent for debt repayment. Loans approved were to assist in creating 20,550 jobs and in maintaining existing employment of 13,081; total, 33,631. In addition, it is estimated that five indirect jobs are created for each full-time employee (totaling more than 160 thousand). Loans totaling more than $16 million have already been disbursed, maintaining this job ratio of employment. Others will be disbursed as plan construction is completed.

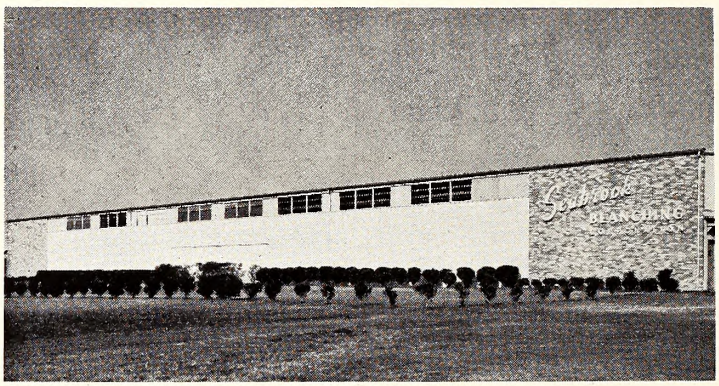
In addition to contributing to employment in 1962, these plants purchased products from 10,672 farmers; 17,803 farmers received benefits from operations of the plants; and, $32,443,611 of North Carolina farm products were purchased. It should be noted that the latter figures are based upon cases where loans have been actually disbursed and do not include the undisbursed commitments or those in which members of our staff have assisted in obtaining loans from other sources. Further improvements in operations by the same companies and those for which present loan commitments will be disbursed within the next few months are expected as follows for 1963: Number of farmers from whom products will be purchased, 14,617; total number of farmers to receive benefits from the plants, 23,013; and, $45,805,472 of North Carolina products to be purchased.

Looking At The Map

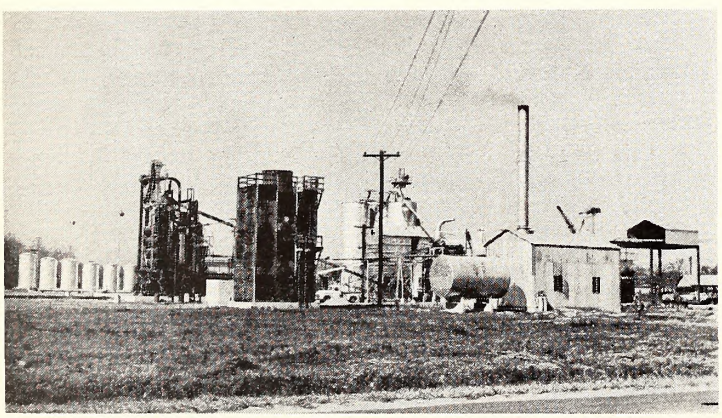
Loans have been made from Murphy to the seacoast and to many types of business and industry, new companies moving in or establishing branch operations in the State, some newly created companies within the State, and others that have been long established in North Carolina. Each



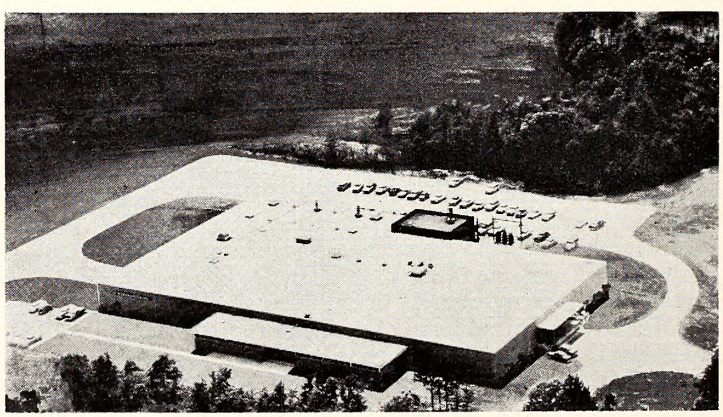
W. F. FANCOURT CO., GREENSBORO, INDUSTRIAL CHEMICALS



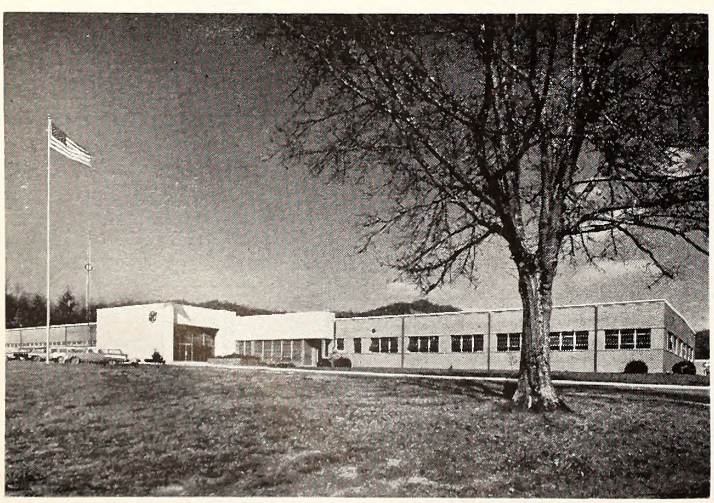
SEABROOK BLANCHING CORP., EDENTON, PEANUTS



SELMA SOYBEAN CORP., SELMA, SOYBEAN OIL & MEAL



SOUTHERN LACES, INC., WILMINGTON



HAMMARLUND MGR. CO., MARS HILL, ELECTRONICS

KOHLER AND CAMPBELL CORP., GRANITE FALLS, PIANOS

of these loans have resulted in an increase in employment and an expansion of production.

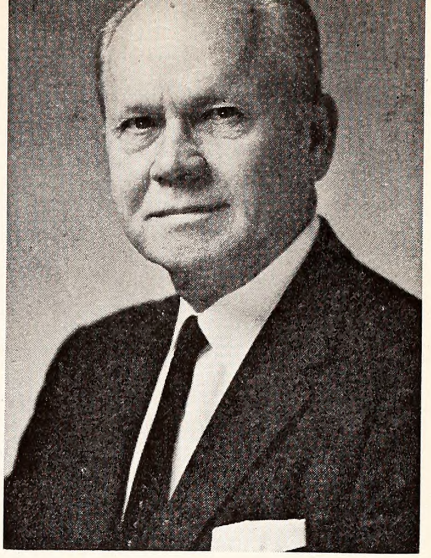
Looking at the map on our office wall in Raleigh, a visitor finds that BDC has made many useful and interesting loans. Among the purposes are: financing facilities for the manufacture of electronics in all three sections of our State, eastern, piedmont, and western, with large employment; a pickle plant which at the height of last season had nearly 600 employees, of which well over one-third of them are employed the year round, and a company which contracts for thousands of acres of cucumbers from farmers in its area; a strawberry plant to process great quantities of North Carolina's luscious strawberries; a peanut blanching and processing plant unlike any other in the country which processed approximately 10,000 acres of North Carolina peanuts in 1962; several poultry processing plants with annual production capacity in excess of 60 million birds a year located in the eastern, piedmont, and western sections of the State and having more than 2,000 employees with additional benefits to hundreds of farmers and others; many textile plants from Murphy to the seacoast; manufacturing almost every type of wearing apparel; a ceramic tile plant, which is the only one within several states, which produces an excellent quality of tile; furniture and woodworking; metals; shoe manufacturing; several grain storage and grain manufacturing facilities; industrial paper; and, industrial and medicinal gases.

All of these projects employ large numbers of people, thus aiding in the economic improvement of our great State.

More Than Just Sitting Back

On occasion, BDC has been criticized because it has had no losses in its loans thus far with a suggestion that perhaps the Corporation has been too conservative in its lending policies. There is much more to the operations of the Corporation than the processing of loan applications and the disbursing of loans (which require a complete analysis and understanding of each case), and then just sitting back while the repayments roll in. It is doubtful that any lending institution has ever had a loan where a loss was expected at the time the loan was made. Therefore, it is obvious that much happens after a loan is approved. The servicing of our loans after disbursement requires a great deal more attention from our staff than the processing and disbursing of new loans. We are continuously aware that if BDC suffers a loss from a loan, then the borrower suffers a much greater loss. Therefore, much of our time and effort is given to counseling borrowers in an effort to see that the loan accomplishes at least the purpose intended in the first place. We believe our efforts have resulted in the successful operations of some of our borrowers who otherwise might have had rather tough going. As an example, we quote a few words in a letter from one of our borrowers, who after thanking us again for our help financially and our opinions and advice, stated that "you have truly taken a firm headed for bankruptcy and made it possible for us to swiftly get back on the road to recovery." Today, that business has very successful operation and employs about 300 people.

Of course, the BDC office in Raleigh is very busy trying to determine which proposals are sound and which are unsound and further, those borrowers with only an idea they wish to try at someone else's expense. For instance, there have been those who wanted 100% financing for a patent of a machine, although the market is already flooded with similar machines already manufactured in this State by existing companies. But,



JENKINS

the applicant thinks he can produce better at a lesser cost. And, there was an applicant who wanted a loan to finance an almost patented gadget which was so secret that he would not discuss the gadget even with us. These, of course, were declined.

There are no legal restrictions as to the size or terms of loans to be made by the Corporation, but the applications are determined by policies of the Board of Directors and by actions of our Loan Committee. There are no fixed yardsticks in considering loan applications, but each case is considered entirely on its individual merit. However, the financing must be on a sound basis from the standpoint of the local area as well as our Business Development Corporation because it would be a disservice to the community and all concerned to assist in financing an unsound proposition. The Enabling Act, under which the Corporation was organized, and the Corporation's Charter, are very broad and flexible. Much is left to the policies of our Board of Directors and Executive Committee and the actions by our Loan Committee.

Management Counseling

Another activity of the Corporation is that of business management counseling in which our staff in Raleigh has been of considerable assistance to business management in cases where loans were not obtained from our Corporation as well as in cases where loans have been made.

The Corporation has a printed form for filing applications for financial assistance. It asks the kind of questions and requests the sort of information that any lending institution should. The forms may be obtained from the office in Raleigh. Generally, it is very helpful for the prospective loan applicant to discuss his plan with the officers of the Corporation before preparing the application form as it assists in a more expeditious pro-

(See CORPORATION, Page 44)

Officers

JOHN P. STEDMAN ..... Chairman of the Board
R. A. BIGGERS ..... President
H. POWELL JENKINS ..... Executive President
W. B. PIPKIN ..... Vice President
CHARLES C. CAMERON ..... Treasurer
FRANK A. CELLA ..... Assistant Treasurer
WILSON F. YARBOROUGH ..... Secretary
DORLESE W. COOPER ..... Assistant Secretary

General Counsel

POYNER, GERAGHTY, HARTSFIELD AND TOWNSEND
Attorneys at Law

BRICK CAPITOL OF THE NATION

GILBERT A. MELAND, BRICK & TILE SERVICE, INC., GREENSBORO, N. C.

North Carolina holds the position as the number one brickmaker in the nation, according to State Conservation and Development Department Director Robert L. Stallings, Jr. Figures just released for 1962 show that a total of 688 million bricks were produced in North Carolina during that year, accounting for 10 percent of the 6.8 billion bricks produced nationally. This represents a gain of 6½ percent over the preceding year for the North Carolina clay industry and a whopping 47 percent increase over that of 10 years ago.

Ten years ago North Carolina stood in fourth place in the nation as a brick manufacturer. The climb to the number one spot is a perfect example of how our State's natural resources can be turned into jobs and income for North Carolinians. It is estimated that the State's brick industry adds about 50 million dollars each year to its economy.

Why this phenomenal growth and consumption here in North Carolina? First, the State is blessed with an abundance of very good brick clays and shales. According to industry engineers all recognized specifications for brick establish 3,000 pounds as a minimum strength for the top grade. Recent tests indicate that the average strength of North Carolina brick to resist crushing is over 11,000 pounds, an excellent testimonial to the quality of raw material available.

Perhaps equally important is the fact that local brick manufacturers have sufficient confidence in their product and their future to create facilities necessary to make the product available in quantity and quality.

This is evidenced by the fact that North Carolina has the largest concentration of modern tunnel kilns in the Nation. The tunnel kiln is a product of years of technical know-how and is the most modern, most efficient method of producing brick today. Each tunnel kiln can produce from 30 to 75 thousand units daily.

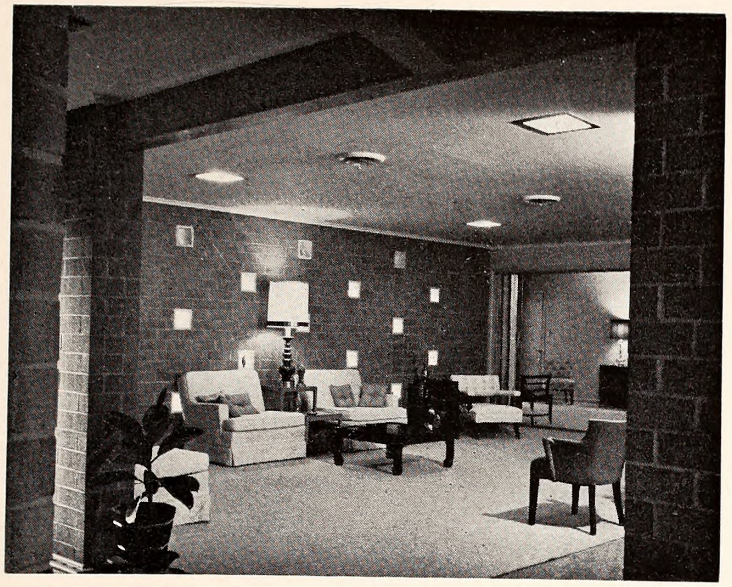
Brick production today is a far cry from what it was just a few years ago. A visit to a typical plant reveals how raw clays are blended into proper proportions, extruded and cut to proper size by automatic machinery, loaded on kiln cars, dried and burned to some 2,000 degrees Fahrenheit, and cooled—all within a matter of 72 hours. Bricks are then packaged to facilitate automatic loading and unloading of literally thousands of bricks in a truckload.

Where and when are these bricks used? One has only to drive through modern residential subdivisions, to observe the North Carolina landscape being dotted with new, modern industrial buildings, to see our educational facilities being expanded, to see the shopping centers, to observe the many churches under construction. The answer is obvious.

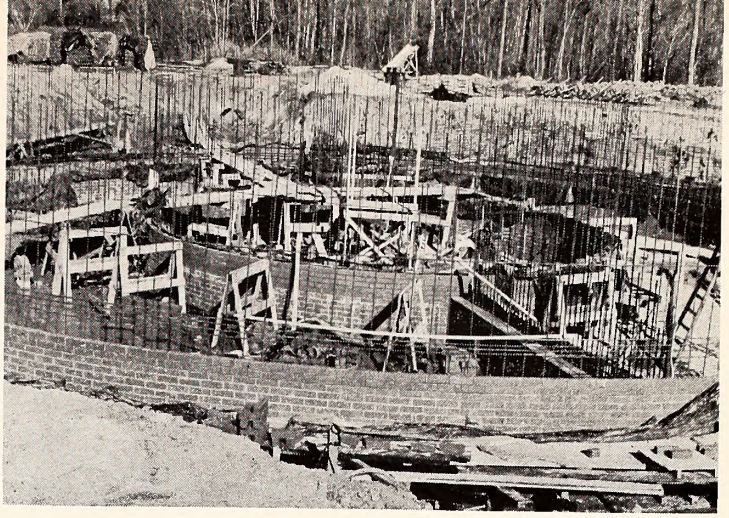
Also, it is not unusual to see older residential buildings or older churches being given a brand new look by application of brick on the exterior as a remodeling material. Not to be forgotten is the engineer's role in the use of brick. In cases where the public cannot actually see the use of brick such as sanitation facilities, utilities or structural system areas where bricks are being used for its strength in addition to its aesthetic qualities.

The brick industry is keenly cognizant of the fact that it must have skilled craftsmen to put their product in the wall and to insure that North Carolina will always have an adequate supply of brickmasons to handle this tremendous output of brick. Consequently, industry officials cooperate with the State Department of Public Instruction, Division of Trade and Industrial Education, the Construction Apprentice Council of the Associated General Contractors, and the North Carolina Department of Labor Division of Apprenticeship and Training. Young men with an aptitude for bricklaying are encouraged and given opportunities to pursue this trade and become journeymen bricklayers in this rewarding field.

While North Carolina is the brick capital of the Nation, the existing production facilities are capable of higher production, and the brick industry intends to do just that!

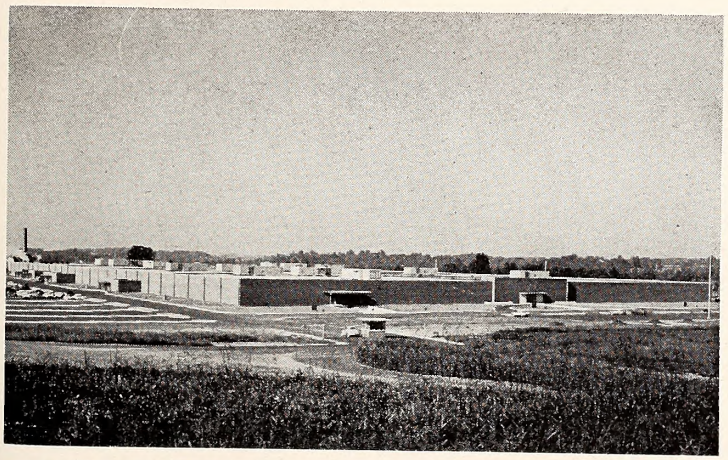


Because af the madern ecanomical methads used in the praduction af brick, the "in-the-wall" cast af brick in North Carolina is as law, if nat the lawest, as any place in the U. S.

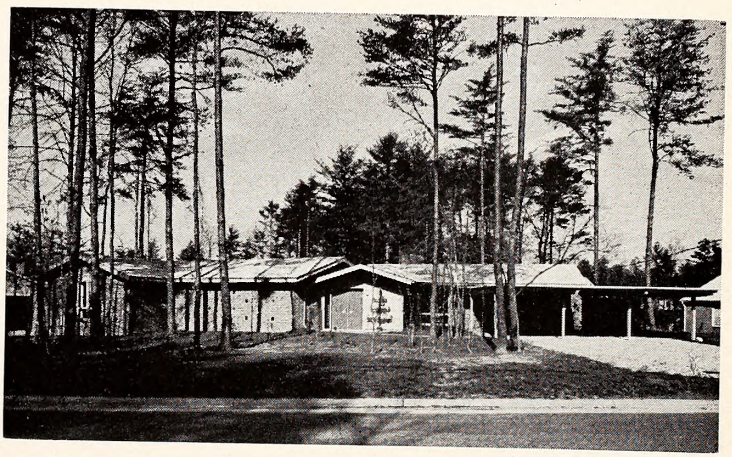


Brick in combinatian with steel rads (reinforced brick masanry) was the suitable structural material selected by the engineer in the design of this 80-faat diameter waste treatment plant.

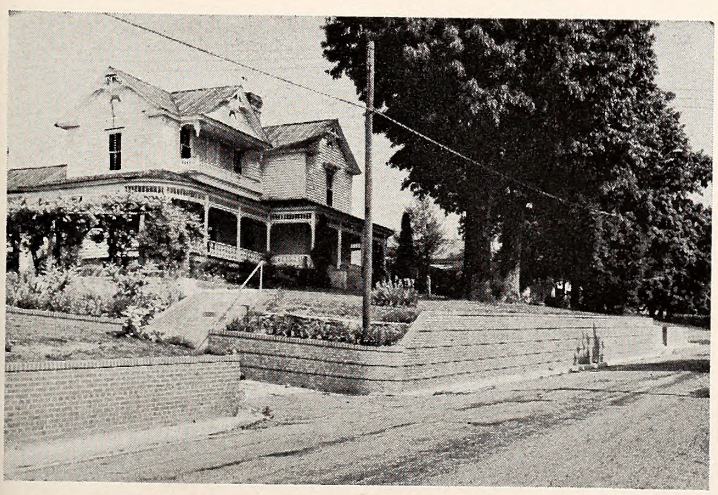
"blessed by an abundance of natural clay and shale."



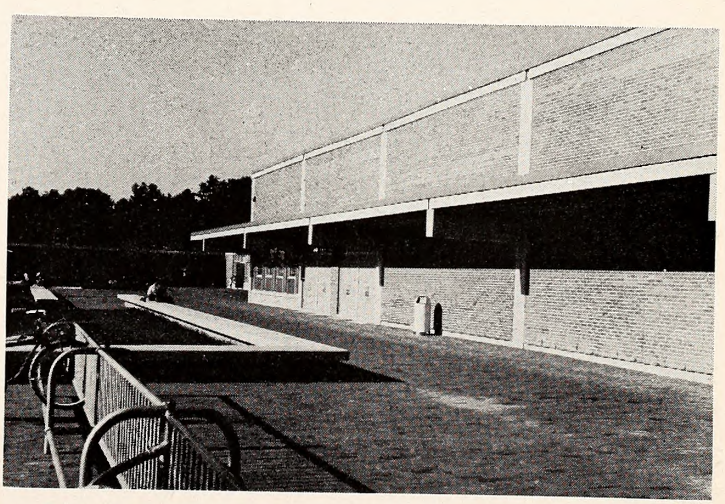
When all brick canstruction is used in structures such as this magnificent Hanes Hasiery plant in Winstan-Salem, the lacal ecanamy alsa gains because af the lacal material and labar used.



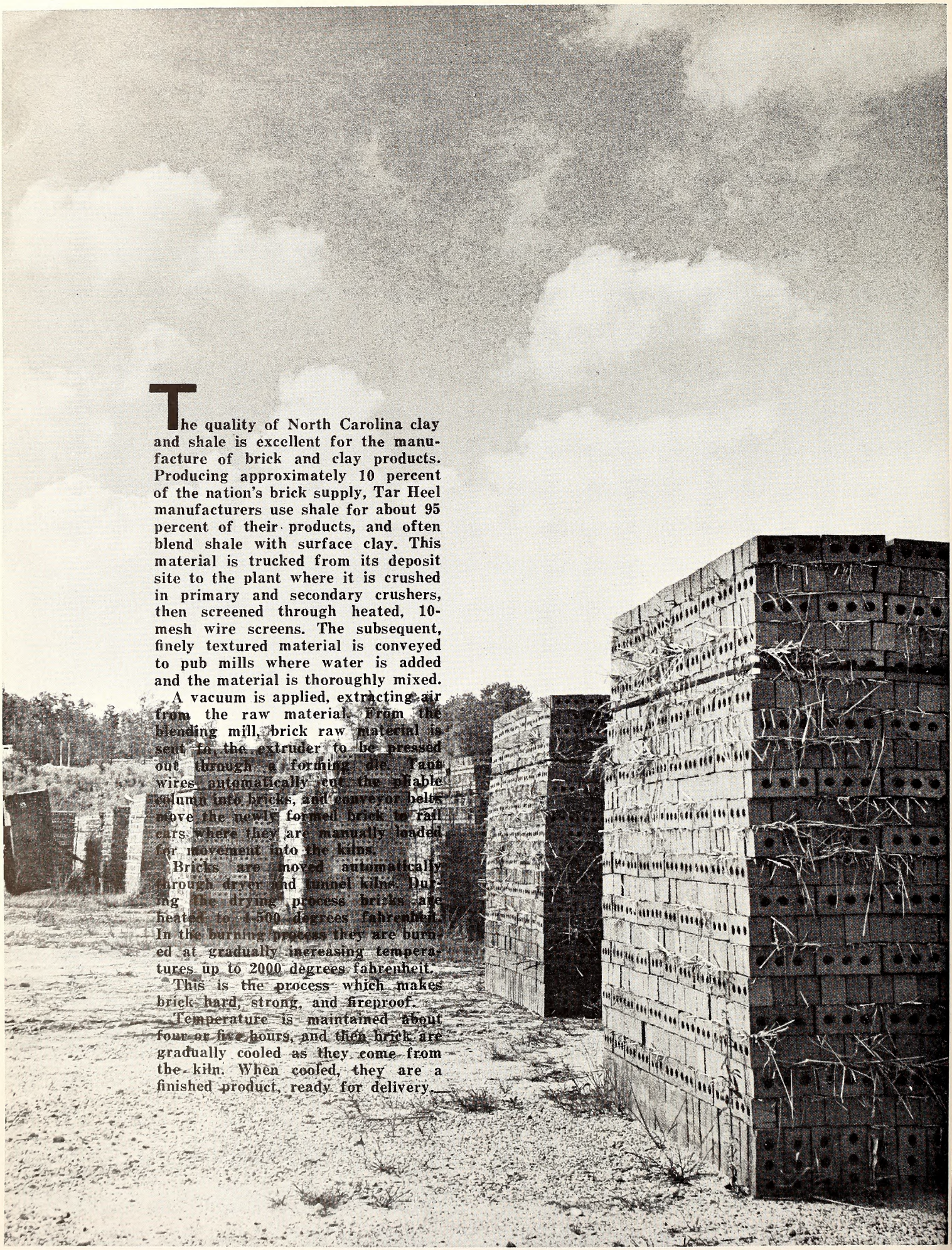
Brick is used abundantly in hame canstructian. Whether the residence is contemparary, traditianal, ar madern, the ane camman denaminatar is brick in varying designs and patterns.



When this street was widened, the use af reinfarced brick allowed the engineers ta have an attractive brick finish retaining wall that wauld harmonize with the residential neighbarhaad.



Brick placed an sand withaut martar is nat limited to the backyard patia. Here the architect incorporated the same popular concept in a large terrace af an elementary schaal building.



The quality of North Carolina clay and shale is excellent for the manufacture of brick and clay products. Producing approximately 10 percent of the nation's brick supply, Tar Heel manufacturers use shale for about 95 percent of their products, and often blend shale with surface clay. This material is trucked from its deposit site to the plant where it is crushed in primary and secondary crushers, then screened through heated, 10-mesh wire screens. The subsequent, finely textured material is conveyed to pub mills where water is added and the material is thoroughly mixed.

A vacuum is applied, extracting air from the raw material. From the blending mill, brick raw material is sent to the extruder to be pressed out through a forming die. Taut wires automatically cut the pliable column into bricks, and conveyor belts move the newly formed brick to rail cars where they are manually loaded for movement into the kilns.

Bricks are moved automatically through dryer and tunnel kilns. During the drying process bricks are heated to 4-500 degrees fahrenheit. In the burning process they are burned at gradually increasing temperatures up to 2000 degrees fahrenheit.

This is the process which makes brick hard, strong, and fireproof.

Temperature is maintained about four or five hours, and then brick are gradually cooled as they come from the kiln. When cooled, they are a finished product, ready for delivery.

BOREN OFFERS OVER 600 COMBINATIONS

BY J. KENNETH THOMAS

"In 16 short years, from nothing but a vacant lot to an industrial complex stretching across Piedmont North Carolina into South Carolina; shipping brick into 16 states; providing a living for over 400 families; and making eastern U. S. A. beautiful and fireproof," is the exciting story of Boren Clay Products, located at Pleasant Garden just south of Greensboro.

The amazing growth of this company came as another chapter in the story of "North Carolina, the Brick Capital of the Nation," a leadership primarily due to a lucky break plus Tar Heel initiative, according to Orton A. Boren, President of Boren Clay Products and its brick making affiliates.

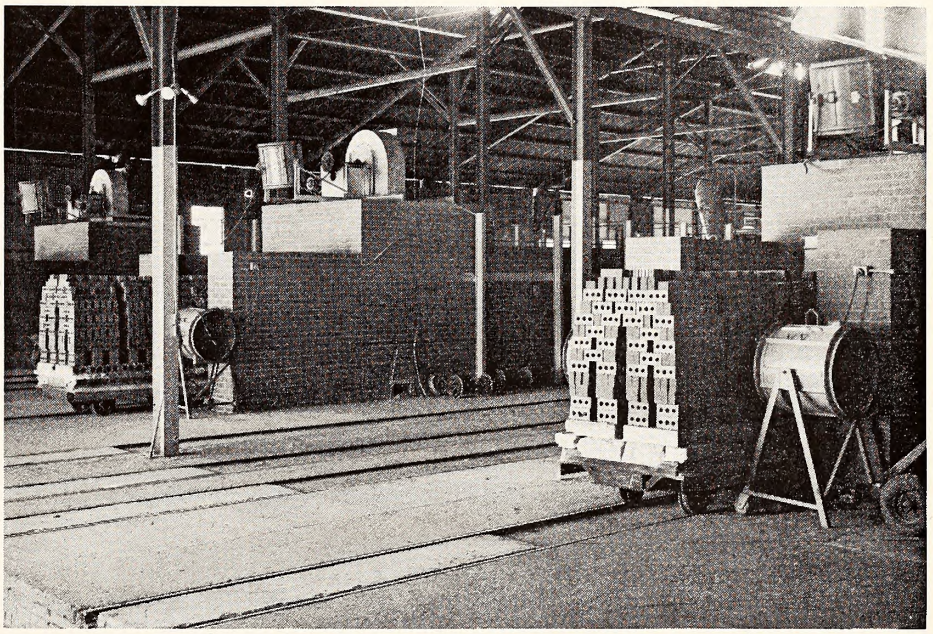
The luck, says the brick and tile manufacturer, comes from the fact that nature heavily endowed the State with high-grade materials for making quality clay products. Since Tar Heels traditionally make the most of their lot, they have capitalized on these clays and shales to the fullest. The availability of these raw materials combined with the energy and genius of Tar Heel brickmakers has made them members of the number one brick manufacturing state in the nation, with Boren and its subsidiaries being the leading supplier of brick in North Carolina. The organization has a capacity close to 900 million brick equivalents annually.

The present Boren group resulted from consolidation with Kendrick Brick and Tile of Charlotte and Monroe in 1961, and the prior acquisition of Broad River Brick Company, Gaffney, South Carolina, in 1960. Another Boren affiliate is the Rockingham Block and Ready Mix Company in Spray, N. C.

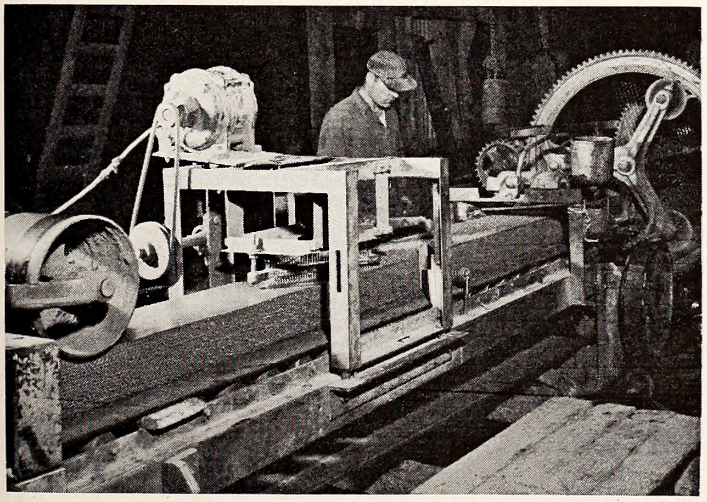
Architects and engineers have historically favored "materials indigenous to the region," especially when such local building materials offer advantages such as high quality at a bargain. Tar Heel designers are said to lead the nation in developing new and ingenious ways to do things better with brick. Who else, for example, would have conceived the very popular reinforced brick masonry swimming pools?

Boren, like other Tar Heel manufacturers, has from its beginning concurred with the desire to provide a variety of brick and clay products for use by architects and engineers, enjoying a reputation as "custom brick makers" with over 600 combinations varying according to size, shape, color, and texture desired. Boren's handmade brick, manufactured much as it was in the old days and noted for its natural beauty, adds grace and charm to many of the most beautiful buildings on the Eastern Seaboard. Boren also pioneered in the development of factory-produced special shapes made to exacting specifications, recognizing early the need to facilitate the work of architects and bricklayers.

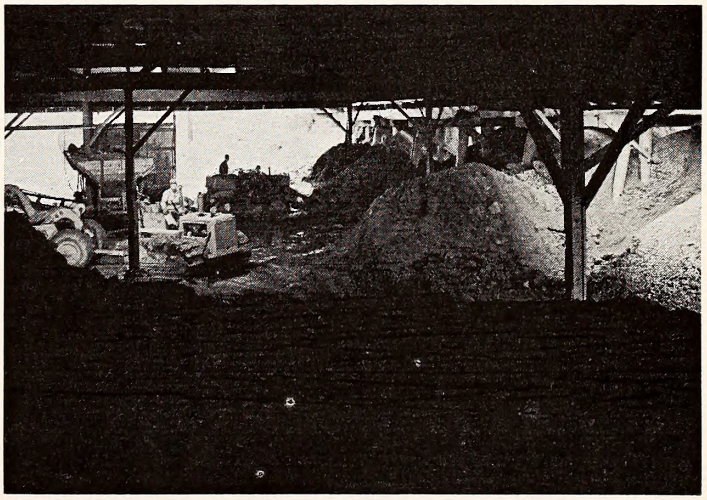
In addition to supplying brick needs of the State and the eastern portion of the United States, Boren and its subsidiaries have heavily emphasized community affairs and service. Boren employees are active in a wide variety of church and civic functions.



Every 42½ minutes, 1000 brick emerge from the exit of one of the two modern tunnel kilns shown above. During their 36-hour trip through the kilns, green brick were fired as carefully as a cook bakes a cake to emerge with that true beauty that comes only from brick. Many combinations of size, color, shape and texture are produced here.



Shown above is one of the many machines that enable Boren to provide a variety of shapes, styles, and colors in modern face brick. The Company enjoys the reputation as a "customer brick maker." It produces hand made brick, much as it was in the old days.



Native North Carolina materials are the key to beautiful Boren brick. A front end loader blends Chatham County shale with Guilford County shale to produce a distinctively North Carolina product. Modern material handling equipment greatly facilitates operations.

A 200 ACRE PURCHASE CONTAINED VAST AMOUNTS OF CLAY AND SHALE

From The Hanford Brick Company, Burlington, N. C.

Hanford Brick Company of Burlington is a direct result of the machine age. Ed R. Hanford, Sr., and brother J. W. Hanford were partners in road and bridge construction utilizing real horse power and drag pans. But in 1927 it became evident that 150 mules and many laborers could not compete with powerful earthmoving machinery which was being developed.

When machinery moved in the demand for mule power ceased.

Intending to retire their livestock, the Hanford brothers purchased 200 acres of land several miles south of the small community of Burlington. They soon discovered that this 200 acres contained a vast amount of shale and clays usually associated with brick manufacture. With this knowledge, and having a readily available supply of fuel from the timber which covered much of their newly acquired acreage, the Hanford brothers purchased a non-operating brick plant in Liberty, N. C. One-hundred and fifty mules and a caravan of wagons transported the disassembled plant to its present location in Burlington in one day, a phenomenal feat in those days and it was the subject of discussion from local folks for many weeks thereafter.

The spring of 1928 found the new brick plant in full operation. Bricks were manufactured from March through September because the soft bricks were air dried under open sheds and freezing weather would not permit year 'round production. Bricks were fired by burning cord wood. To cook one updraft type kiln containing 180,000 bricks required 100 cords of wood. The total annual capacity of the plant was then about 2.5 million bricks.

Since then all the original equipment has succumbed to the march of progress. We continually search for the best equipment obtainable to manufacture brick. In 1930 the type of brick available was number one common. Price was $8.00 per thousand. Delivery was by wagon and there were 12 employees.

In 1931, two round-type kilns were constructed, allowing brick to be fired more uniformly throughout the kiln and eliminating the soft salmon brick which were always present in the corners of the up-draft type kilns. These new kilns were fired by coal, another step toward a controllable temperature which gave a more uniformly burned brick.

In the years that followed many advances were made in brick manufacture. Hand loading gave way to automatic loading with a winch type loader, the first of its type to be used in this area. Also of major importance was the elimination of the old open air drying sheds and the installation of a new drying kiln which utilized waste heat from the firing kilns. This allowed brick to dry more quickly, thereby tripling the total production of the plant. The new vacuum de-airing pugging process was added which permitted the use of clays that heretofore had not been used. Additional round kilns were constructed to take care of the increased production. These improvements permitted brick manufacturing to continue through 12 months instead of during the warm months of the year.

By 1938 we were manufacturing four types of bricks. The price per thousand was $12.00. Delivery was in small trucks, production seven million bricks, and employees numbered 20.

In 1939, Hanford Brick Company became incorporated and Edwin R. and Edward R. Hanford, Jr., became officers of the Corporation. These men are the twin sons of the founder and head the manufacturing team today.

During the war years, production was curtailed.

Foreseeing the growth of North Carolina's economy, plant management in 1945 began replacing equipment, expanding facilities, and concentrating on an intense program of research in the field of better burning methods. Much time, hard work and money was spent in an effort to burn brick with the powdered coal process. In theory, the idea was excellent but proved to be untenable in practice. Although the idea was dropped, the effort by the Company proved again its forward thinking and readiness to adopt new procedures. In rapid succession, new experiments in firing brick led Hanford Brick Company to initiate the most drastic experiments in the southeastern part of the United States in the method of firing brick. A coal shortage forced the experiment to use fuel oil to fire brick. This proved to be most successful. The process shortened the firing period, increased production, and eliminated the many problems connected with the use of coal.

Further experiments revealed a revolutionary system of loading and unloading brick from round kilns using a fork lift. This new machine could load and unload the kiln at the rate of 100,000 bricks per day. Previously, the job had required 11 men.

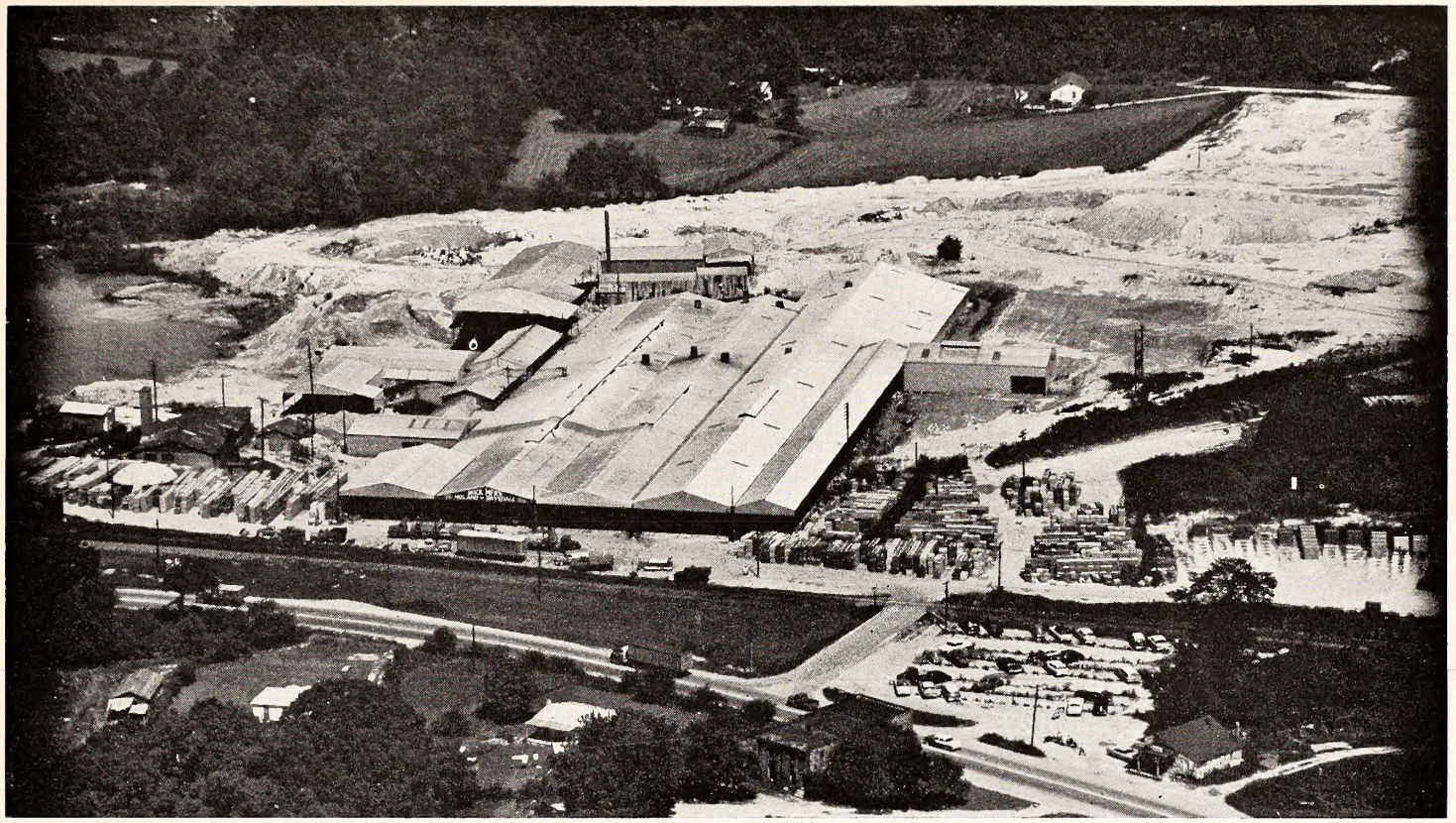
In 1952 Piedmont North Carolina received its first natural gas line. Again Hanford management took the opportunity to better the brick burning process and remodeled its kilns for natural gas firing, an experiment which proved to be the most successful method to date.

By 1952, Hanford Brick Company manufactured four kinds of brick. Delivery was being made by medium trucks. Production was 10,000,000 bricks each year and we employed 30 people.

Nineteen-fifty-five marked the beginning of another major expansion program that to date has not lost its momentum. Prior to his death in 1957, E. R. Hanford, Sr., sanctioned his company's ambition to move forward. Foreseeing the greatest industrial expansion that has taken place in this country's history and with a firm faith in the economy of North Carolina, Hanford undertook its greatest expansion program. From the clay pits to brick storage yards, all processes of the Company were modernized with the latest equipment available, including many exclusive improvements.

Today, from what was originally 200 acres of grazing and timber land, there exists a modern tunnel-kilns brick plant adjacent to the city limits of Burlington and Graham. Hanford Brick Company, Inc., is eagerly looking forward to serving and growing with the heart of Piedmont North Carolina. We extend an invitation to visitors to see our modern step-by-step manufacturing process of brick, the oldest man-made building product known to man.

We produce more than 300 colors and textures of brick today. Price per thousand is $42.00. Delivery is made in large pack hauler trucks. Production capacity is 35,000,000 bricks each year and we employ 75 people.



THE MOLAND-DRYSDALE CORPORATION

FACE BRICK -:- COMMON BRICK

North Carolina has just recently received official recognition from the U. S. Department of Commerce of its status as the "Brick Capital of the Nation." Western North Carolina has made a substantial contribution to North Carolina's outstanding record in attaining this high level of production of brick, putting Ohio into second place. And in western North Carolina, the Moland-Drysdale Corporation, and brick are synonomous, and you cannot talk brick without associating it with the Moland-Drysdale Corporation.

This Company was organized in 1923 by Bruce Drysdale who is still the President of the Corporation. He was formerly advertising manager of John Lucas and Company, paint manufacturers of Philadelphia, and while on a business trip to western North Carolina prior to 1923 fell in love with the beautiful country and foresaw a tremendous potential for the clays of the area.

The first plant was established at Etowah, North Carolina, with the purchase of approximately 300 acres of land. Many of the area's industrial plants were built of brick made at this Etowah operation. One example is the large American Enka Corporation plant at Enka, N. C.

The Etowah operations included 11 round, down-draft kilns. These kilns were operated until 1955.

In 1943, Drysdale bought the old Fletcher Brick Company at Fletcher, N. C., and operated round, down-draft kilns at this location until 1951, at which time the first modern tunnel kiln was built for the Fletcher operations.

The second tunnel kiln was constructed at the Fletcher Company in 1953 and the third tunnel kiln in 1955. At this time the Etowah operations were discontinued.

The decision to discontinue the Etowah operations and to concentrate on the Fletcher operations was based on three important factors: (1) the availability of natural gas as a firing fuel; (2) the close proximity to a major highway, and (3) the close proximity to a railroad. Highway 25, which is a major north-south artery, and the railroad are directly in front of the plant.

The fourth tunnel kiln was constructed in 1961. This gave the Fletcher operations a capacity of 40 million bricks each year.

The Moland-Drysdale Corporation, through its Fletcher operations, manufacturers approximately 25 different shades and textures of brick. These brick are shipped over the entire eastern part of the United States from Massachusetts to Florida and from Michigan to Louisiana.

There are approximately 100 employees in all the operations of the Moland-Drysdale Corporation. It has an annual payroll of approximately $400,000. The manufacturing plant (Fletcher operations) is located on approximately 300 acres of land which bears both buff and red clays.

The Moland-Drysdale Corporation was one of the first companies to make light-colored brick in the South. Over the years the proportion of light-colored brick to red brick has increased until at the present time about 60 percent of the production of the Fletcher plant is light-colored brick and about 40 percent is red brick.

An ultra-modern office building in Hendersonville houses the offices of the Moland-Drysdale Corporation. In this office is a complete display of the products made at its Fletcher opwalls of the office are constructed of brick of various kinds to give an authentic "in-the-wall" sales appeal to prospective customers.

Since the offices of the Moland-Drysdale Corporation are located in a highly popular resort area, there are a large number of visitors annually from all parts of the country. Visitors are not only well impressed with the beauties and opportunities of western North Carolina, but they also become well aware that the Moland-Drysdale Corporation plays a vital role in the economy of this region and will continue to play this role in the years to come.

MANUFACTURERS OF SHALE FACE AND COMMON BRICK

INCORPORATED IN 1909

Cunningham BRICK COMPANY

Cunningham Brick Company was founded in 1909 by two brothers, J. H. Cunningham and C. D. Cunningham, and their brother-in-law, W. H. Osborn, all of Greensboro. The plant was originally located in Greensboro, but because of an insufficient supply of suitable clay and shale in that area the plant relocated at its present site, about six miles southwest of Thomasville in Davidson County. There an abundant supply of pre-Cambrian shale was found which, when blended with local clay, forms the ideal material for the manufacture of varied colors and textured brick.

In 1925, the entire plant burned, causing an estimated $100,000 loss to buildings and equipment. Within a year the firm had rebuilt and was making brick from an entirely new plant, costing in excess of $150,000. After the loss from fire, the Company decided that it should never take the risk of another disaster from fire. The new plant was constructed without a single piece of wood or other type of flammable material, and to this day this has continued to be the policy of the Company in all its construction.

Prior to 1953, brick, were burned in what was known as periodic or "beehive" kilns. Approximately 75,000 unburned bricks were "set" in these kilns, and using coal for fuel, were hand-fired for about five days. Another four or five days were required for the brick to become cool enough for handling.

Today the method of burning has been entirely revolutionized. Brick, are burned by the most modern method known to the industry. The tunnel kiln process, which is automatic and uses natural gas as a fuel, produces a much better brick, more uniform in size and color than heretofore possible.

Cunningham Brick Company manufactures a wide variety of face brick in size, texture and color. Although most of their bricks are sold throughout North Carolina, a great many are shipped to such places as New York City, Boston, Philadelphia, Washington, etc.

Sales offices are located in Greensboro, Winston-Salem, Salisbury and at the home office in Thomasville. Officers of the Company are J. H. Cunningham, founder and President; R. M. Middleton, Vice-President and General Manager; and Conald Beck, Secretary and Treasurer.

Since the disasterous fire in 1925 which destroyed the plant, Cunningham Brick Company has taken its place in the economy of North Carolina. Management of the company is proud of its association in an industry which has earned its number one ranking in the United States.

ISENHOUR BRICK COMPANY LISTS MANY FIRSTS IN 67-YEAR HISTORY

Isenhour Brick Company of Salisbury was established in 1896 by G. W. Isenhour. At the turn of the century, his four sons became active in the industry. C. W. Isenhour remained in Salisbury to manage the local plant. In 1919 Lewis C. Isenhour established Sanford Brick Company at Sanford, N. C., and it is now one of the largest brick companies in the nation. G. M. and Rufus Isenhour established Yadkin Brick Company around 1951.

These plants are now being operated by third generation Isenhours.

The Isenhour plants have been first in many facets of the brick industry in North Carolina. Around 1900 when all plants in the State made brick only during the summer months, the Isenhour plant put in the first dryer to permit all year 'round operations.

Around 1916, Yadkin Brick Company at New London, N. C., produced the first face brick in the State. The Company was the first in the State to use round, periodic kilns to fire coal instead of wood.

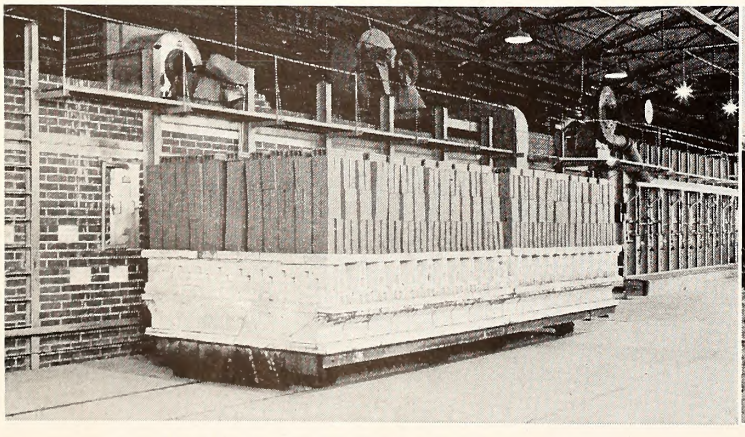
In 1937, Isenhour Brick Company, Salisbury, built the first continuous car tunnel kiln for the production of brick in the Southeast.

In 1942, a new and improved type of dryer-kiln combination was developed that made all other types of continuous kilns obsolete. This type of kiln is now in use all across the country.

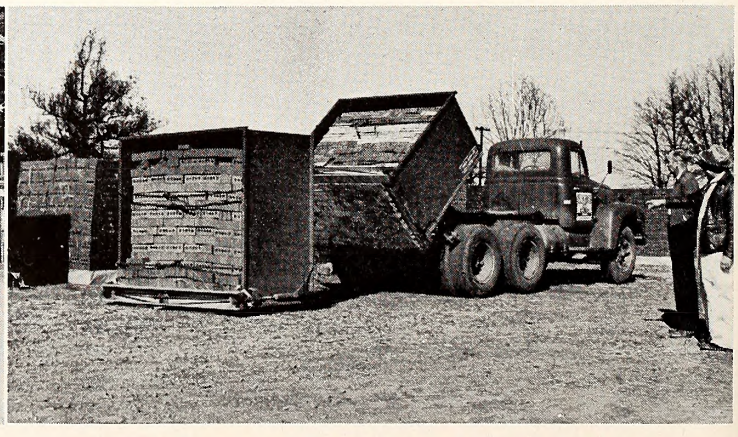
In 1949, Isenhour Brick Company sponsored the organization of Taylor Clay Products, a plant to make buff, white, grey brick and tile in the State by using refined fire clays from distant points and utilizing some of the high grade minerals of North Carolina.

The combined production of Isenhour Brick Company and Taylor Clay Products is approximately 80 million bricks per year. These products are marketed in all sections of the East from Boston to Tampa, Florida.

Both plants employ approximately 200 persons, and the company continues to seek new and more efficient manufacturing methods.



MODERN ASSEMBLY AT ISENHOUR



HYDRAULIC LOADING FACILITATES DELIVERY

Pine Hall---- "The Mark Of Enduring Quality"

From The Pine Hall Brick & Tile Co., Winston-Salem, N. C.

With over half a century of experience in the field, the Pine Hall Brick and Pipe Company supplies brick and related clay products for many types of structures. From small beginnings to the Company's present location on Shorefair Drive in Winston-Salem, Pine Hall Brick and Pipe Company has continued to seek better ways of serving customers with better products.

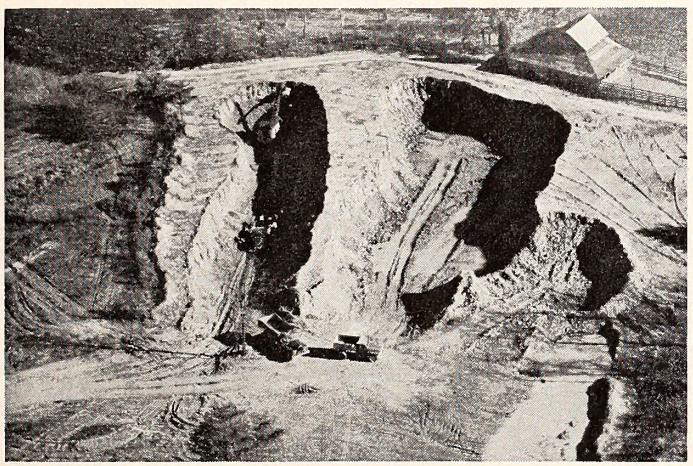
Located in Pine Hall community a few miles from Winston-Salem, plant number one has fourteen round kilns in operation daily. Plant number two, a few miles north of plant number one, produces vitrified clay pipe in a variety of sizes. At the third plant, near Madison, N. C., huge tunnel kilns are in operation day and night, producing brick around the clock. Pine Hall's total production is over 650 tons of clay products a day.

The Company's facilities at the three manufacturing plants include both round kilns and tunnel kilns. The largest of these is the 365-foot tunnel kiln with a capacity of 80,000 bricks a day. It was the first of its size in the South. As the soft brick travel through the kiln, they are burned at temperatures exceeding 2,000 degrees Fahrenheit. This is the process that makes brick hard, strong, and fireproof.

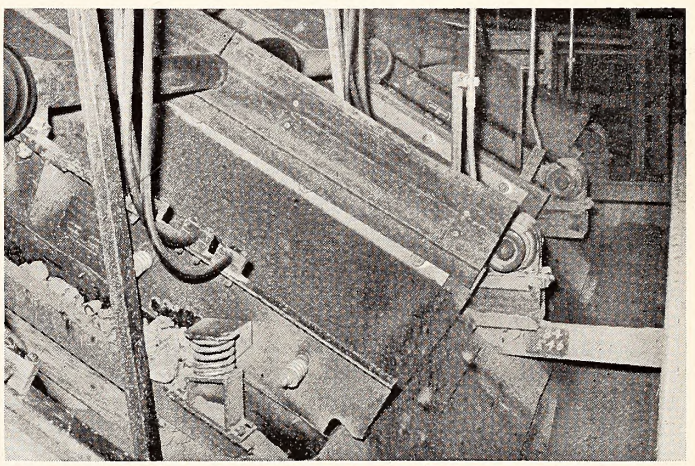
North Carolina's wealth of natural resources include large deposits of fine clay and shale necessary for the manufacture of brick and other clay products, and Pine Hall's prospectors locate these deposits after testing various possible areas. When a mining site has been selected, it is first loosened by dynamite, and then shovel and trucking crews go into action in excavating and transporting the raw material to the plants.

When a prospector takes samples of clay and shale, samples are then tested in Pine Hall's laboratory for shrinkage, water absorption, strength, and other characteristics. Keeping in mind that the quality of basic raw materials is essential for the quality of the finished product, the research department helps make certain that the clay and shale to be mined will be up to constant high standards. The superior quality of Pine Hall products is the result of combining top-grade ingredients and flexible production facilities with the skill and experience of production employees and the technical know-how of our ceramic engineers. Constant testing of products by independent testing laboratories further assures that all standards for quality are regularly met.

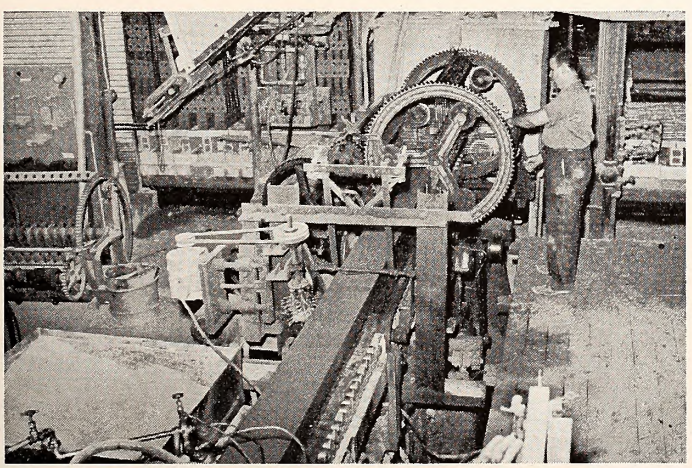
Only brick combines so many qualities into a single building material. North Carolinians benefit as tax payers and citizens because brick helps make buildings attractive, permanent, safer and more economical to maintain. Brick also offers the homeowner a better investment through quality construction that will remain sturdy and attractive for generations.



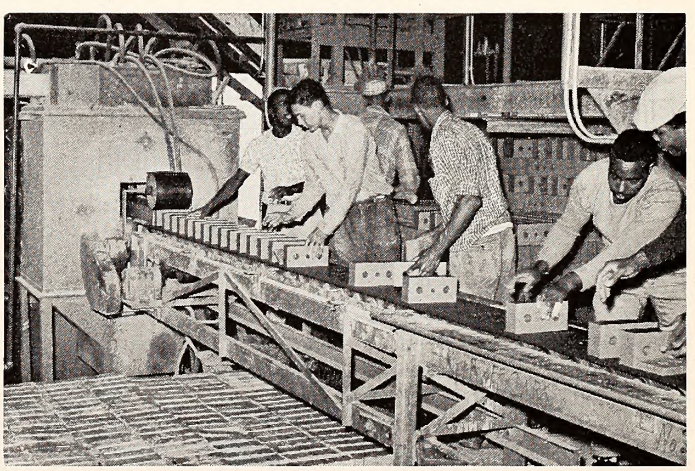
This view shows the mining operation. Huge power shovels dig into the deposits and fill the fleet of trucks which transport the clay and shale to Pine Hall's manufacturing plants near by. Soil is previously tested by company lab technicians for shrinkage, wager absorptian, strength and other characteristics suitable for brick manufacture.



New electrically heated screens sift and sart the clay and shale in Pine Hall's plant near Madison, N. C. Clay and shale are carefully mixed and blended. The Company's two other plants are located in the Winston-Salem area. Total production is over 650 tons of clay products a day and kilns are in operation day and night.



From the blending mill, brick raw material is sent to the extruder to be pressed out through a forming die. From this continual priable column taut wires, shown at top of photo, cut the material into bricks. Bricks then travel through kilns which bakes them hard, strong and fireproof. In the kilns temperatures exceed 2000 F.



A conveyor belt system speeds the newly formed brick to the working area where Pine Hall employees laad them an rail cars far movement to the kilns for burning. The largest kiln is a 365-faot tunnel with a capacity of 80,000 bricks a day, the first of its size in the South. Pine Hall facilities include both round and tunnel kilns.

Clay pipe in use is not often seen, as brick is, but is nonetheless important to all of us. Imagine a city without its clay "life lines." Underneath lawns and streets Pine Hall vitrified clay pipe works day and night to keep communities clean and sanitary. Because of its strength and durability, vitrified clay pipe meets the exacting specifications of all building codes and public health authorities. Pine Hall clay products include clay flue liners. clay wall coping, drain pipe, well pipe, flashing block, flue thimbles, clay stove pipe, fire brick, and fire clay.

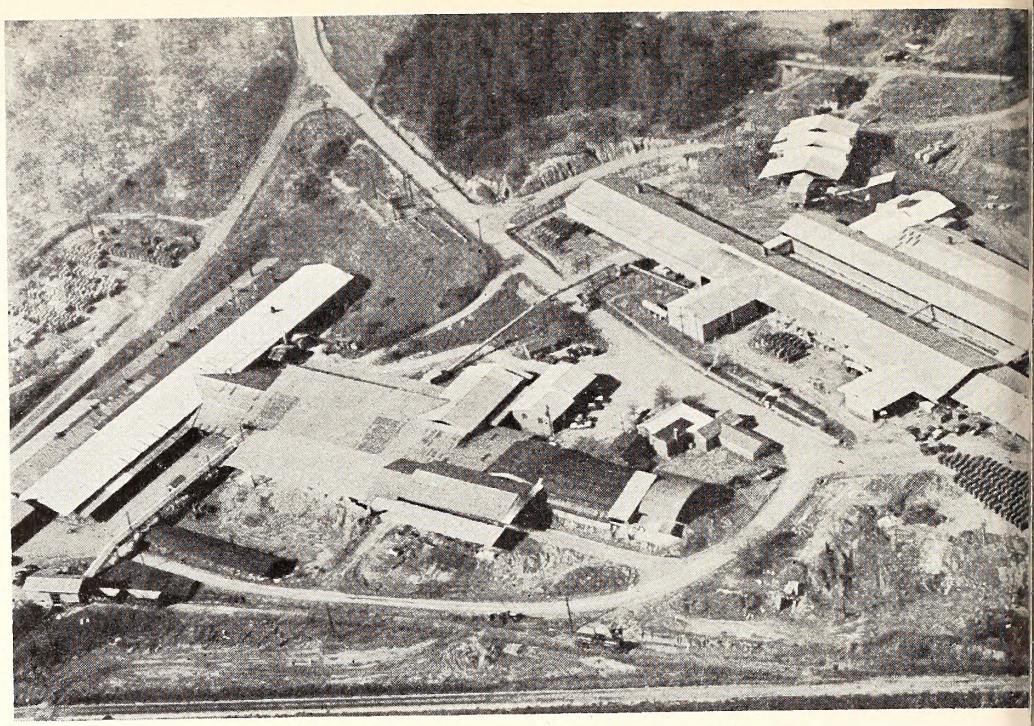
From Stanly Shale, 100,000 Bricks Daily

Bricks by the millions, by the hundreds of millions, come streaming from kilns all over North Carolina each year. Nothing can beat the permanent qualities and beauty of brick, and North Carolinians have discovered this fact in a big way, from Murphy to Manteo, as brick constructs homes, factories, schools, churches, and even fallout shelters.

With many designs and textures to choose from and with a variety of colors available, contractors and architects from all over the State have specified brick in their designs and construction. The result is that North Carolina is now producing more bricks than any other state in the Union.

Located almost in the center of the brick capital is Stanly Shale Products of Norwood. With two tunnel kilns spouting out over 100,000 bricks daily, this plant supplies many in-State builders as well as to builders up and down the Eastern Seaboard. Originally built in 1920, the Company had several owners before it was purchased by Sanford Brick and Tile Company of Sanford in 1949. At that time, with 60 men on the payroll and a daily production of about 25,000 bricks, a new expansion program was started. Today, production is up to 100,000 bricks each day with only about 30 men on the payroll. This makes Stanly Shale Products one of the most modern and efficient brick-making concerns in the State.

The company is an "at-home" industry, having little or no importing to do outside the State. Raw material used is the abundant shale found on the hillside behind the plant. The finished product is a brick, clean, uniform, and durable, which has and will continue to make vital contributions to the growth and well-being of the people of North Carolina.



PLANT AND FACILITIES OF STATESVILLE BRICK COMPANY, STATESVILLE, N. C.

Statesville Company Recounts Many Changes In Brick Industry Since 1900

J. E. RANKIN, *Vice President*

Looking back over more than 55 years of service to the building trade is synonymous with the progress that has taken place in the manufacturing and distribution of brick at Statesville Brick Company, as well as most other brick manufacturers of North Carolina.

During a good part of the early 1900's, machine-made brick were made almost exclusively of clay extruded and cut with an end cutter, dried in open air sheds and fired in what was considered at that time very modern round down draft kilns. These kilns, in the up-to-date plants of that time, were replacing the old rectangular wood fired kiln that was completely rebuilt at each firing. The outer walls, as well as the inside, were made of unfired brick. Shortly after the round down draft kiln came the development of the waste heat dryer, which made brick manufacturing year 'round business, plus contributing a great deal to more economical production.

About 1910, the side cutter had been developed but the end cutter was most generally used until the 1920's. De-airing was developed on the brick machine in the early thirties to help make a more mechanically perfect brick. Whereas, formerly most plants made smooth common and smooth select brick, more now started making textured face brick as well.

Then in the late 1940's, as car tunnel kilns became perfected, a dryer was developed which made it practical to set brick from the brick machine directly on the kiln cars and without rehandling, first dry then fire them on the same cars. This eliminated one costly handling of the brick.

Along with the tunnel kiln in the early 1950's came a trend to improve the quality of brick by using two or more clays and/or shales with supplementary properties. Textured face brick had increased tremendously percentage wise over the smooth common brick and development of colors for textured brick gave the consumer a wide range of colors and textures to select from; consequently, resulting in the possibility of having several blocks of houses made of brick with each of them different, either in color, texture or size.

After the war, with the tremendous scarcity of building materials, the concrete block was developed. This product has made great inroads into what had formerly been a common brick market for commercial construction and foundation market for residential construction. E. R. Rankin, president of Statesville Brick Company, saw a great need for developing a large ceramic unit with the good qualities of brick, and a cheaper in-the-wall cost, that brick manufacturers could use to compete

and regain the lost back-up and partition wall market.

We began experimenting in the late 1940's with materials and methods of forming in an effort to arrive at something to fill the gap. This project was later taken over by Brick and Tile Service and the work was transferred to North Carolina State College Engineering Experiment Station. After several years of work it was finally given up as it did not appear practical, due to some of the phases of processing.

Statesville Brick Company was determined that a large hollow, lightweight facing unit could be made, and financed another project at North Carolina State Engineering Experiment Station. After several years of disappointments, a breakthrough finally came and it was then decided to build a pilot plant and experiment with full size machinery and kiln.

Proving the experiments carried on in the laboratory on a full size scale was successful, and work was begun on designing a plant to manufacture these units, which we call "Bricbloe." After a lot of thought, discussion and drafting, we came up with what we though best suitable in the way of machinery, dryer, kiln and layout to do the job.

When the plant was finished and in production there was not a hitch in the process, and the first "Bricbloc" produced were of excellent quality. After the "Bricbloc" were in production, some qualities showed up that it was desirable to improve upon. These improvements were made through the cooperation of laboratory and plant. Laboratory work still continues on investigations of possible new raw materials, the development of colors, etc.

To get a comparative figure of the benefit of automation of today, our production in the early years was 110,000 brick per week with 20 men on the payroll, as compared with our present production of 1,070,000 brick per week with only 60 men.

Not only has a revolution taken place in the manufacture of brick, but also in their delivery. We, as other small plants, in 1907 and for a number of years thereafter, delivered brick in Statesville with teams of mules and wagons. Several of the larger plants of those days were shipping brick over the state by rail where there were no local plants to serve the need.

In the early twenties, Fontaine came out with a truck mounted body that would handle 1,000 brick on a pallet, and this was a great improvement. All excess production above local needs was then shipped by rail until the mid thirties with the advent

(See STATESVILLE, Page 46)

ESC SURVEYS BRICK INDUSTRY WAGES

By Lonnie Dill, *Bureau of Employment Security Research*

North Carolina's expanding economy has provided a greatly increased market for one of the State's smaller industries. During 1962, the State's brick production surpassed that of Ohio to become the largest brick manufacturer in the Nation.

The brick industry is not new in North Carolina. Early settlers and their slaves were employed in the industry. Nor has the basic process of producing brick been changed for thousands of years. Increased production in North Carolina as well as in other sections of the country has been brought about by improved equipment used by the industry.

Bricks have a low value-to-weight ratio and are therefore seldom produced more than 200 miles from the site where they are to be used. The increased demand for brick in factories, office buildings, retail stores and homes has provided the expanded market for which North Carolina brick manufacturing firms are producing today.

Recently the Bureau of Employment Security Research was requested to conduct a wage survey for selected occupations in the industry. The request came from one of the larger brick companies and when completed, the survey revealed that brick manufacturing firms are located in almost a quarter of North Carolina's 100 counties. Only the Tidewater section of the State is not represented. Most of the brick manufacturing firms in North Carolina employ fewer than 50 workers and brick makers in the State seldom employ more than 100 persons.

The establishments selected to be covered in the study included all North Carolina firms employing 20 or more workers who were primarily engaged in the manufacture of brick and structural clay tile as defined in the 1957 edition of the *Standard Industrial Classification Manual.* Only one firm meeting these requirements declined to cooperate in the survey. Another firm paid wages so similar to those

(See WAGE SURVEY, Page 46)

BRICK AND STRUCTURAL CLAY TILE INDUSTRY OCCUPATION WAGE SURVEY

February, 1963

Establishments included in this survey are primarily engaged in manufacturing brick and structural clay tile. The sample was limited to manufacturing firms identified by Standard Industrial Classification Code Number 3251.

Statewide Total		Surveyed		Coverage-Per Cent	
Establishments	34	Establishments	29	Establishments	85.3
Employment	2,109	Employment	1,970	Employment	93.4

STATE SUMMARY OF STRAIGHT-TIME HOURLY PAY RATES FOR EXPERIENCED WORKERS [1]

Job Title	Number of Workers	Most Prevalent Wage Rate Range[2] From	To	Average of Most Prevalent Wage	Maximum Wage Rate Paid
Clay Grinder	87	$1.10	$1.64	$1.31	$2.00
Kiln Drawer (Periodic Kiln)	89	1.15	1.55	1.29	1.64
Kiln Fireman (Periodic Kiln)	36	1.15	1.64	1.34	1.64
Kiln Fireman (Tunnel Kiln)	159	1.20	1.80	1.38	2.20
Kiln Placer (Tunnel Kiln)	121	1.15	1.60	1.31	2.20
Kiln Setter (Periodic Kiln)	66	1.25	1.90	1.45	2.17
Kiln Unloader (Tunnel Kiln)	312	1.15	2.00	1.41	2.19
Maintenance Man, General Utility	126	1.15	2.22	1.55	2.95
Offbearer	245	1.10	2.04	1.39	2.51
Pugmill Man	58	1.15	2.00	1.40	2.00
Hand Trucker	57	1.00	2.17	1.25	2.17
Power Trucker (Forklift)	90	1.10	1.69	1.32	2.00

[1] Training rates and premium payments for overtime, holidays, shift differentials and annual bonuses are excluded. Incentive earnings and cost-of-living bonuses are included.
[2] Most prevalent ranges and averages are weighted in terms of the number of firms in which the job occurs.

STRAIGHT-TIME HOURLY PAY RATES FOR SELECTED ENTRY JOBS

Job Title	Most Prevalent Wage Rate From	To	Average of Most Prevalent Wage Rate
Clay Grinder (Trainee)	$ .90	$1.33	$1.14
Kiln Fireman, Tunnel Kiln (Trainee)	1.00	1.45	1.20
Maintenance Man (Trainee)	1.00	1.36	1.20
Offbearer (Trainee)	.90	1.28	1.15
Pugmill Man (Trainee)	1.00	1.29	1.17

NORTH CAROLINA BRICK AND STRUCTURAL CLAY TILE MANUFACTURES

Taken from Employer's Quarterly Reports

ALAMANCE COUNTY
Hanford Brick Co. ..... Burlington

CHATHAM COUNTY
Pine Hall-Pomona Corp. ..... Gulf
Sanford Brick Corp. ..... Gulf
Cherokee Brick Co. ..... Moncure

CLEVELAND COUNTY
C. T. Bennett ..... Kings Mountain
Costic Brick Co. ..... Kings Mountain

CUMBERLAND COUNTY
Ideal Brick Co., Inc. ..... Linden

DAVIDSON COUNTY
Cunningham Brick Co. ..... Thomasville

DUHHAM COUNTY
Triangle Brick Co., Inc. ..... Durham
Borden Brick Tile Co. ..... Durham

FORSYTH COUNTY
Piedmont Brick Co. ..... Winston-Salem

GASTON COUNTY
Kendrick Brick & Tile ..... Mt. Holly

GUILFORD COUNTY
Borden Clay Products Co. ..... Pleasant Garden
Pine Hall-Pomona Corp ..... Greensboro

HALIFAX COUNTY
Nash Brick Co., Inc. ..... Rocky Mount

HARNETT COUNTY
Norwood Brick Co. ..... Lillington
J. A. Senter Brick Co. ..... Lillington

HENDERSON COUNTY
The Fletcher Brick Co. ..... Hendersonville

LEE COUNTY
Borden Brick Tile Co. ..... Sanford
Lee Brick Tile Co., Inc. ..... Sanford
Sanford Brick Corp. ..... Colon

MECKLENBURG COUNTY
Kendrick Brick & Tile Co. ..... Charlotte

MONTGOMERY COUNTY
Mt. Gilead Brick Co. ..... Mt. Gilead

ROCKINGHAM COUNTY
Webster Brick Co., Inc. ..... Roanoke, Va.
Pine Hall-Pomona Corp. ..... Madison

ROWAN COUNTY
Isenhour Brick & Tile ..... Salisbury
Taylor Clay Prod. Co. ..... Salisbury

SAMPSON COUNTY
Sampson Brick Co., Inc. ..... Roseboro
Patterson Brick Co. ..... Roseboro

STANLY COUNTY
Yadkin Brick Yards, Inc. ..... New London
Sanford Brick Corp. ..... Norwood

STOKES COUNTY
Pine Hall-Pomona Crop. ..... Walnut Cove

UNION COUNTY
Kendrick Brick Tile Co. ..... Monroe

WAKE COUNTY
Cherokee Brick Co., Inc. ..... Raleigh

WAYNE COUNTY
Borden Brick Tile Co. ..... Goldsboro

NORTH CAROLINA CONCRETE AND BLOCK PRODUCTS MANUFACTURERS

Taken from Employer's Quarterly Reports

ALAMANCE COUNTY
King Brick & Pipe Co. ..... Burlington

ANSON COUNTY
Harwards Block & Tile ..... Wadesboro

BRUNSWICK COUNTY
Centry Corporation ..... Southport

BUNCOMBE COUNTY
Concrete Products Co. ..... Asheville
Asheville Concrete Mat. ..... Asheville

CABARRUS COUNTY
Triece Concrete Co. Inc. ..... Kannapolis

CALDWELL COUNTY
Caldwell Cinder Block ..... Hudson

CARTERET COUNTY
Morehead Block Tile Co. ..... Morehead City

CATAWBA COUNTY
Catawba Dunbrik Co. Inc. ..... Hickory
Austin Setzer Block Co. ..... Newton

CLEVELAND COUNTY
Shelby Concrete Prod. ..... Shelby
Fred J. Wright & Son ..... Kings Mountain

COLUMBUS COUNTY
Grainger Block Co., Inc. ..... Tabor City

CRAVEN COUNTY
Stevenson Brick Co., Inc. ..... New Bern

CUMBERLAND COUNTY
Cape Fear Concrete Prod. ..... Fayetteville
Fay Block Co. ..... Fayetteville
Cape Fear Block Co. Inc. ..... Fayetteville

DAVIDSON COUNTY
Craver Building Block ..... Lexington

DUPLIN COUNTY
Carolina Millwork ..... Warsaw

DURHAM COUNTY
Carolina Block Co. ..... Durham
H. O. Concrete Block Co. ..... Durham
Adams Concrete Prdt. ..... Durham

EDGECOMBE COUNTY
Tarboro Concrete Bldg. ..... Tarboro
Southern Concrete Prod. ..... Rocky Mount
Car. Concr. Block Works ..... Rocky Mount
Superior Concrete Wks. ..... Tarboro

FORSYTH COUNTY
Leonards Brick & Conc. ..... Winston-Salem
Motsingers Block Plant ..... Winston-Salem
Dixie Concrete Product ..... Winston-Salem

GASTON COUNTY
Concrete Products ..... Cherryville
Dixon Block Co., Inc. ..... Belmont

GUILFORD COUNTY
Car. Quality Block Co. ..... Greensboro
Structural Concr. Prod. ..... Greensboro

HALIFAX COUNTY
Thompson Concr. Prod. ..... Roanoke Rapids

HAYWOOD COUNTY
Canton Block & Pipe Co. ..... Canton

HENDERSON COUNTY
Gilbert Concrete Prdts. ..... Hendersonville

HYDE COUNTY
Jarvis Concrete Prod. ..... Engelhard

IREDELL COUNTY
Moose Concrete Product ..... Statesville
Ostwalt Norwalk Vault ..... Troutman
Superior Masonry Co. ..... Statesville

JOHNSTON COUNTY
Dixie Block Co. ..... Four Oaks

LENOIR COUNTY
Smith Concrete Pdts. ..... Kinston

MACON COUNTY
W. A. Hays ..... Franklin

MARTIN COUNTY
Robersonville Ice ..... Robersonville

MECKLENBURG COUNTY
Charlotte Block, Inc. ..... Charlotte
Superior Block Co., Inc. ..... Charlotte
Autry Concrete Prdts. ..... Charlotte

NASH COUNTY
Lynches Concrete Block ..... Battleboro

NEW HANOVER COUNTY
Dixie Concrete Prod. ..... Wilmington
Quality Concrete Prod. ..... Wilmington

PASQUOTANK COUNTY
Elizabeth City Brick ..... Elizabeth City

RANDOLPH COUNTY
Asheboro Concrete Prod. ..... Asheboro
Autoclave Block Corp. ..... Asheboro

ROCKINGHAM COUNTY
Rockingham Blk. & Ready ..... Spray
Reidsville Block & Con. ..... Reidsville

ROWAN COUNTY
Johnson Concrete Co. ..... Salisbury

STANLY COUNTY
Southeastern Block ..... Albemarle

SURRY COUNTY
Dixie Concrete Product ..... Mount Airy
Surry Concrete Product ..... Mount Airy

VANCE COUNTY
Greystone Concrete Prod. ..... Henderson

WAKE COUNTY
Adams Concrete Product ..... Varina
Standard Concr. Prodt. Co. ..... Raleigh

WATAUGA COUNTY
Maymead Block Co., Inc. ..... Boone

WILKES COUNTY
Byrds Block & Tile Co. ..... N. Wilkesboro
Standard Concrete Prod. ..... N. Wilkesboro

WILSON COUNTY
Linstone, Inc. ..... Wilson

YADKIN COUNTY
White Bros. Block & Bld. ..... Jonesville

Bates Wins Election As '64 IAPES President

North Carolina's new president of the State IAPES chapter can relish his office with the sweet taste of victory that comes after defeat. When Edson Bates won the highest office in the International Association of Personnel in Employment Security's local chapter at the group's annual convention in Winston-Salem, the honor came one year after he lost the same election by a mere handful of votes at the IAPES meeting in Raleigh. Old time IAPES members recall the '62 election as "one of the closest."

But the 1963 election went for Bates, and the 44-year-old Supervisor of Industrial Services for the Employment Security Commission has taken over leadership of one of the nation's most active chapters with a membership of 700 employees of the Employment Security Commission.

"It's my sincere hope that the chapter will continue to grow both in membership and activity," Bates comments, "and will continue to be a source of inspiration and ideas designed to improve the professional competence of the Commission's employees.

"The IAPES is an organization which provides an opportunity for employees to meet, discuss mutual problems and through high caliber speakers learn methods of providing better service in all aspects of their work," believes the new president. "It also provides occasions for sociability. This cannot be overlooked, but it is not the main purpose of the organization."

Joining Bates as new 1963 officers of the organization are Ben Johnson, Supervisor of Employer Relations, eastern Vice President; Paul Felsburg, manager of the local ESC office in Bryson City, western Vice President; and Shelby Green, ESC Business Office, as Treasurer.

Bates is originally from Georgia, but moved to North Carolina when he was 16 years old. He is a graduate of Lee Edwards High School in Asheville and attended Asheville-Biltmore College.

A 2½-year WWII Air Force veteran, he was recalled in 1950 and served a year's active duty during the Korean conflict.

Bates joined the Commission in 1946 as a claims taker in the Bryson City local ESC office and remained there until 1954, serving as supervising interviewer in charge at Murphy. He was also assigned Veterans Employment Representative at Bryson City. His appointment as Claims Deputy came in October, 1954, and Bates subsequently operated from the Greensboro local office.

A promotion to Occupational Analyst came one year later. In December, 1956, he was promoted to his present position as Industrial Services Supervisor and is in charge of 21 people of that division, including the Commission's Field Center.

Bates is no newcomer to IAPES activities, although his term as president marks his first elective office. He has served as Chairman of the group's Membership Committee, and as Chairman of the chapter's Activities Committee. In 1962, he was the Employment Security Commission's central office representative to the State IAPES and has been a member of the International Membership Committee. Bates has attended five International conventions.

Being president of an organization is not unfamiliar, either. He has served as president of the Lion's Club in Bryson City, as Commander of the American Legion Post, Bryson City, is past Chef-de-Gare of Voiture 1307 of the 40 and 8, Cherokee, and is also past president of the couples' class of the Hillyer Memorial Christian Church in Raleigh where his family is active in church affairs.

He is married to the former Buell E. Woodard of Bryson City. Bates and his wife now make their home in Cary, just outside Raleigh, with 12-year-old Allen and eight-year-old Beverly Bates.

New President Bates (seated) poses with the IAPES Executive Committee at its first meeting. Standing from left to right are: Past President J. B. Harris of Raleigh; Doug Carter, central office representative to the Committee; Conrad Forbes, Winston-Salem, Committeeman-at-large; Shelby Greene, central office, IAPES Treasurer; Carolyn Harper, central office, Secretary; and Paul Felsburg, Bryson City, western Vice President. Ben Johnson of Raleigh, eastern Vice President, was absent when the photograph was taken.

WINSTON-SALEM HOSTS 300 IAPES MEMBERS

The North Carolina chapter of the International Association of Personnel in Employment Security held its 26th annual convention at Winston-Salem's Hotel Robert E. Lee, March 28-29, with about 300 members attending the two-day affair.

The association is composed of Employment Security Commission employees engaged in job placement, unemployment insurance, and other activities of the State agency. There are about 23,000 members in the International Association.

Marcel Guay of Montreal, Canada, president of the international group, discussed the affairs of the association and described its growth throughout the world. He said IAPES now has three chapters in Asia, and one, in Japan, has about 3,000 members. There are also chapters in Iran and Indonesia, he said.

Other speakers at the convention included Dr. Frank Fuller, president of the N. C. Personnel and Guidance Association, and Dr. Charles F. Carroll, Superintendent of the State Department of Public Instruction. Fuller spoke on "The Role of High School and College Counselors," saying that many public school counselors are better trained than college counselors because most colleges do not require training of their counselors as public schools do.

A good counselor, he said, needs information and good records and the school counselors obtain these. Fuller said he also believed Employment Security Commission counselors should work closer with school counselors. "We could cut down on the number of dropouts (in school) if we could do something about part-time and summer placement," he said. "The more than one-half (of students) who don't go on to college need your help," he said, addressing the convention. "School counselors aren't in the job-placement business, and the ESC should work with them to gain information which would help in the placement of students."

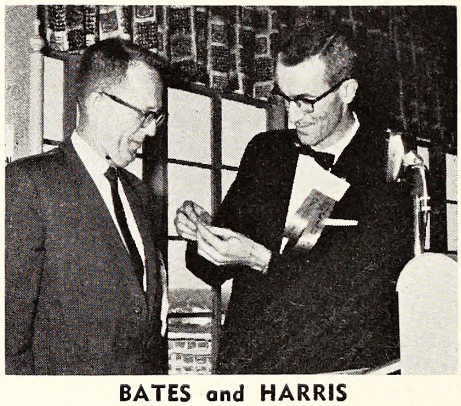
Superintendent Carroll, who is also a member of the President's panel of vocational education consultants, spoke on "Education for a Changing World of Work." He told about the work of the President's panel. "We have not found a proper means for evaluating the vocational progress in the country. This whole idea of employment constitutes one of the greatest domestic issues we have, but we can see a ray of hope."

One of the greatest needs in the vocational field, Carroll said, is an increase in counseling. He also said the panel report shows "there are few jobs for high school dropouts." According to Carroll, the federal government wants $60 million allotted for vocational education. "This amount is not enough for 87 million people. The panel recommended that it be increased to $400 million," he said. "Unfortunately the administration has seen fit to appropriate only a meager amount. We've been wading around in vocational education. It's time we got wet," he said.

The educator told the assembled group of ESC personnel that "vocational education is just as important as any education." He said the second largest educational program in the United States is that conducted by industry, costing $12 billion annually to update and train workers already on the job. "Adults retrain three times in their lifetime to keep abreast of job changes," he added. "North Carolina is 23rd in trade and industrial education in the nation, and third in agricultural vocational education."

J. B. Harris of Raleigh, Supervisor of ESC Field Representatives, and 1962 president of the State IAPES, presided at the meeting. Mayor John Surratt of Winston-Salem welcomed the convention to the city.

DR. CHARLES CARROLL
Department of Public Instruction

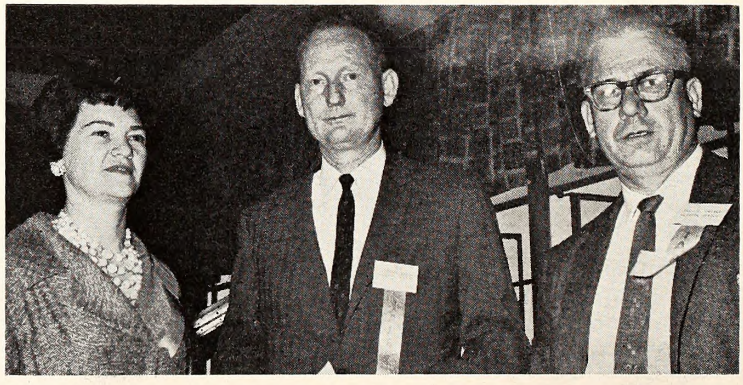


BATES and HARRIS
New President and Old

The second-day session included the election of 1963 officers and a panel discussion of "Youth Services in the Community." Gilbert Fleming of the Winston-Salem ESC office, Koula D. Litchos of Statesville, Jerry White of Raleigh, Jennie Craig Watson of Gastonia and Sarah S. Norwood of Asheville participated as panelists.

Claude E. Caldwell, merit system supervisor, later talked on "Merit System Changes."

Duke Amerson (left) occepts the third place merit award for William Underseth of Jocksonville. Stella Hoffman, central office, received the second place award. Elmer Van Court of the Field Center took first place for editorship of the IAPES magazine, and Clorence Bass of the Field Center received honoroble mention.



Meneto Proffit of North Wilkesboro, Chairmon of the State IAPES Essay Committee, presents awards to the essay contest winners. Not pictured is the first place winner, Helen Caldwell of Raleigh. Hal Jaynes. central office, (right) took second place and Clarence Bass of the Field Center wos awarded third place.

Citizen Times Photo by Ewart Ball

Asheville Kicks off "Jobs for Youth" Campaign

Asheville city, school and industriol leoders met together in April to kick off the 1963 "Jobs For Youth" compoign in Buncombe County at the Asheville local office of the Employment Security Commission. Attending were (L-R): John McGeary, Asheville Dept. of Lobor; Clorence Brontley, ESC coordinotor in Asheville; Clyde Holtsclaw, high school principol; Robert C. Corpenter, Bank of Asheville; Ross Bollew, Sayles Biltmore personnel monager; Harry Clarke, executive secretory of WNC Industries; Beach Keller, Asheville ESC office; George Fridl, personnel monoger of Square D; ond Charles Dermid, Asheville director of public works. Brontley said that plans were made to use the ESC office as a clearing house in channeling over 1,000 unemplayed youth and 1,400 onticipoted by school's end to profitoble jobs locally ond keep them from migroting out of the mountain areo. He said the effort is port of President Kennedy's youth emplayment program. The ESC plans a full-time Supervisor of Youth Services later in 1963 to work with local groups.

YOUTH EMPLOYMENT SERVICE ESTABLISHED IN CUMBERLAND COUNTY

By Jim Green, *Staff Writer, Fayetteville Observer, Fayetteville, N. C.*

Youth employment in the Cumberland County area is expected to take a swift jump forward during the coming months.

This prediction, released by the Employment Security Commission, is based on the recent organization of the Youth Employment Service in Fayetteville.

This new agency is the first of its kind in North Carolina, and one of the first established in this country.

The service is in answer to a youth employment problem which President Kennedy recently presented to the public. Since that time, the Employment Security Commission has made advancing efforts to solve the problem.

A group of young volunteers recently met at the local office in an effort to launch the employment program. The 12 volunteers include two receptionists, two to take applications, two placement members and three teams of canvassers composed of two per team.

Following the President's appeal, E. R. (Pip) Reed, youth coordinator, decided to establish the Youth Employment Service (YES) in this area. Public response has intensified during the past few weeks.

Jobs Offered

Both permanent and part-time jobs are being offered in this area. S. T. Cherry, manager of the local office, pointed out that many jobs go vacant that could be filled by youths in this section.

He added, however, that there are not enough vacancies to employ all area youths, but there is a demand for a number of young workers.

The jobs, both on volunteer and paid basis, range from harvest workers to life guards. Although the volunteer workers receive no financial compensation, they gain experience which may later lead to a paid position.

This new program will offer opportunities for potential high school dropouts and keep the idle hands occupied during the summer vacation.

The Fayetteville office, which has been concerned with the youth problem for several years, has pointed out that hundreds of youths and other job seekers look for employment, then are forced to migrate into other areas of the state and nation.

The reason for this, Cherry explains, is that this area's economy is affected continuously by the inward and outward migration of displaced individuals from the farms and industrial workers separated from their jobs as a result of automation.

Industrial Growth

According to a report issued by the Fayetteville office, the total industrial growth in the Cumberland County area has been meager, with manufacturing even less. Consequently, great numbers of youths become school dropouts, and high school and college graduates migrate from the area after completing their education.

Reed said federal funds may soon be available to promote the program. If such funds are appropriated, the Fayetteville office would seek $15,130.

The funds would be utilized for and within the Youth Employment Service. Of the requested total, $2,703 would be used to provide pay for the staff currently working on a volunteer basis.

A total of $9,074 would be utilized to subsidize the work-recreation segment of the program. This anticipates two groups, composed of 15 youths per group, being paid for accomplishing four of work and two hours of recreation under supervision each day, five days a week, over a 13-week period.

The remaining $2,453 would be set aside to provide for a survey of all youths enrolled in the local school systems in each year from 1956 through 1962 to determine current locations, work history, work status, and migratory habits.

Program Aims

The new program will concern itself with the causes of school dropouts and their elimination; the sum of youths entering the labor market annually; opportunity for employment; training youths to gain a livelihood; and studies and surveys to

(See YOUTH, Page 35)

APTITUDE TESTS GIVEN HIGHWAY PATROLMEN

BY B. R. CHAMBERLAIN, JR.

Occupational Analyst, Employment Security Commission

I Purpose

> *"This study was conducted to determine the best combination of aptitudes and minimum scores on the General Aptitude Test Battery for the occupation of . . ."*

VIII Conclusions

> *"On the basis of the results of this study, Aptitudes . . . with minimum scores of . . . , respectively, are recommended as norms for . . . ."*

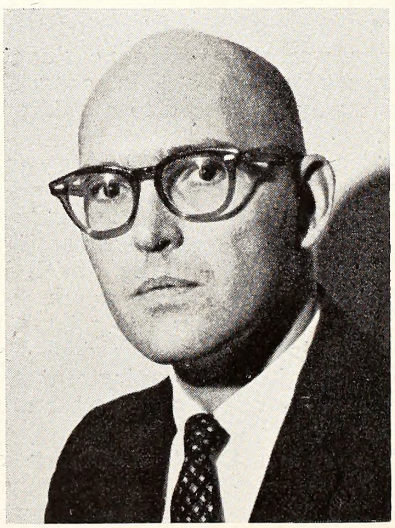
So begins and ends each technical report for each Specific Aptitude Test Battery developed from the Employment Security Commission's GATB. Each step of the developmental process progresses with dull, inflexible sameness, defying deviation from standards. Yet, each study is unique and interesting in its problems and in the suspense contained in the missing links of the above Conclusions. Each study is satisfying if results prove to be of the value anticipated.

One such study is now in progress to develop a test for troopers of the North Carolina State Highway Patrol. If successful, it will enable the Employment Service to establish a continuing program for the test-selection of Highway Patrolmen. While responsibility for checking references and making the final selection must remain with the Highway Patrol, this preliminary service should result in substantial reduction of time involved in screening and some increase in caliber of personnel hired. Provision for uniform initial screening by the Employment Service offices across the State should also reduce the number of applicants who make the trip to Patrol headquarters in Raleigh only to be rejected by screening.

Personnel of the Institute of Government at Chapel Hill, the Highway Patrol, and the ESC are cooperating to achieve these aims. A casual conversation between Donald Hayman, Assistant Director of the Institute, and Edson E. Bates, Jr., ESC's Industrial Services Supervisor, initiated plans for the project which became a reality in February, 1963. Patrol Officials were highly receptive when approached with the suggestion that a test might be developed to implement their employment goals. Col. David T. Lambert, Commanding Officer of the Highway Patrol, and members of his staff, including Major C. R. Williams, Lt. E. W. Jones, Lt. C. B. Pierce, and Lt. W. S. McKinney, have been both instrumental in making necessary arrangements and helpful in providing the miscellaneous data necessary to the success of the project.

Valid, Reliable Results

As in all test development projects, it is necessary to collect a wide variety of information to obtain valid, reliable results. Aptitude test scores, some measurement of actual proficiency on the job, and an analysis of the aptitudinal factors involved in the work comprise the information necessary to develop a specific aptitude test battery. In addition, personal data such as age, education, and experience of the subjects, the test administrator's notes pertaining to persons having difficulty with mechanics of taking the test, and miscellaneous information, including methods used in selecting persons for the job, must be collected to check the reliability and validity of test and criterion scores.



CHAMBERLAIN

The General Aptitude Test Battery, on which this test will be based, is composed of eight paper and pencil tests and four apparatus tests which combine to form nine aptitudinal areas—general learning ability, verbal aptitude, numerical aptitude, spatial perception, form perception, clerical perception, motor coordination, finger dexterity, and manual dexterity. This Battery, evolved through painstaking processes of elimination by test psychologists of the United States Department of Labor, Bureau of Employment Security, represents the nine discrete aptitudes found to be required by various occupations. A suitable occasion for administering this test to patrolmen was found during their February, March, and April refresher training sessions held at the Institute of Government.

Assistant Institute Director Elmer O. Eddinger, who is responsible for the training, selected the time for testing five groups of about 60 patrolmen each. These arrangements combined the advantages of mass testing without disrupting Patrol activities and of reducing the effect of chance factors by obtaining a large sample.

Some measurement of job proficiency, such as production records, piecework earnings, or supervisory ratings, must be obtained as a criterion with which to evaluate the significance of test results. In this case, supervisory ratings were chosen as the most reliable measure of the patrolman's job performance. A standard rating scale, developed by the Bureau of Employment Security, was reviewed with Col. Lambert, Lt. Jones, and Lt. McKinney to ensure the suitability of each question for rating the work involved. Division sergeants will rate the personnel because first line supervisors would logically know best the ability of each of his subordinates. Questions were carefully designed to rate the men only on factors controlled primarily by aptitudes. While personality traits, cooperativeness, and other non-aptitudinal characteristics of an individual are important, they are of no value for comparison with aptitude test scores and are therefore excluded from the rating form.

Checking and Cross Checking

Aptitudinal analysis of the job plays a vital but primarily negative role in the development of a test. Industrial Services Supervisor Edson Bates, and Tom J. Bumgarner and Carl B. Harrelson, Jr., Occupational Analysts of the Employment Security Commission, studied the duties of Highway Patrolmen to determine which of the nine aptitudes were involved in the work. Working independently and without knowledge of

test or criterion results, each decided which aptitudes were totally irrelevant to job performance and which were strongly involved, or important, in one or more frequently recurring tasks. These decisions were based on knowledge of aptitudes measured by the tests and experienced judgment in reducing tasks to aptitudinal components.

Checking and cross-checking the data collected for the Highway Patrol study embraces at once the most tedious, the most seemingly time-wasting, the most frustrating, and yet the most vitally important step in developing an SATB. To justify faith in end results, one must determine how much trust may be placed in the pertinence and accuracy of each bit of data used. In so far as practical, any variables in testing conditions, factors which may bias results, evidence of invalid data, and data based on subjective judgments are scrutinized, tested, and cross-checked carefully to prevent contamination of final results. The computations are tedious, time seems wasted when results bear out a preconceived opinion, and flaws found in the data can be frustrating. But these tests, based on the GATB, are accorded national recognition for excellence because of the rigid requirements for caution in the standardized procedure for validating the tests against job performance.

Sum Of Two Judgments

Ensuring the value of test scores has already begun. The test administrator's statements concerning apparent nervousness, lack of motivation, or similar problems result in discarding any test scores not believed to be an accurate measurement of the individual's aptitudes. Factors which may affect the scores of groups of individuals are checked by comparing mean scores and standard deviations on each aptitude for those affected against those not affected. Variables of this kind in this project include using different forms of the test, testing morning and night sessions, and including persons having had less than a normal amount of sleep the previous night. While time of testing and test form used are not expected to produce significantly different results, there was considerable reason to question the scores of persons who had had only two to five hours of sleep and were tested either before or after a day of classroom training. It is, I believe, a tribute to the morale and self-discipline of the North Carolina State Highway Patrol Troopers that there was no significant difference between scores of those who were relatively well rested and those who were not.

Occupational Analyst Charles Love (standing, right) explains the test procedure to a class of patrolmen at the Institute of Government in Chapel Hill. In the bottom photo Love observes the work of patrolmen D. M. Hinton (left) and L. S. Holst. Almost 200 officers were given the tests and test results are now being correlated by ESC analysts.

A strongly subjective element is necessarily involved in supervisory ratings. Standard procedures require the rater to evaluate each man twice at intervals of two to four weeks. This procedure permits correlation of the two sets of ratings to test the consistency of the rater's opinion, and, since the ratings usually correlate, the sum of two judgments is considered more accurate than either judgment alone. In the rare cases when ratings do not correlate significantly, both sets may be used separately in comparison with test data. A further check is made by correlating age, education, and experience with the ratings. Significant correlations here may indicate that raters are subconsciously influenced by these factors, or that these factors are influencing job performance.

Since aptitudes are not influenced by age, education, or experience within the range of the tested group, it is important to eliminate this influence from the ratings. This may be done by adjusting the top or bottom limits of the range as necessary to exclude all but a homogeneous remaining sample or, under certain conditions, by statistical treatment of the criterion.

The final step in maximizing the validity of data to be used is combining the aptitudinal judgment of three analysts. Only those aptitudes so designated by a majority of the analysts are considered either important or irrelevant for test development purposes.

After all data has been carefully checked and accepted for use, the mean, the standard deviation, and the correlation of criterion scores with aptitude scores are computed. Within the group of nine aptitudes, both the three or four having the highest mean scores and up to four

(Continued)

aptitudes having the lowest standard deviations are considered statistically important, provided, in the latter case, that each is significantly below the known standards deviation for the entire population. Any aptitude designated irrelevant by aptitudinal analysis is eliminated from further consideration at this point. Of the remaining aptitudes, any which correlate significantly with the criterion are used as trial norms. Those neither eliminated nor already selected as a trial norm are checked as to relatively high mean, relatively and significantly low standard deviation, and analytical importance. Since each of these three factors indicates some degree of relationship between the aptitude and the group tested or the job they perform, any aptitude to which two of the three factors apply is also used as a trial norm.

Criterion Split

The entire sample of Highway Patrolmen must be divided into two groups according to their ratings. This is called the criterion split. Those having the lowest ratings are designated "poor workers" and normally comprise about one-third of the total sample. In this study the overall proficiency of the troopers will result in a lower proportion designated as the "poor worker" or low criterion group. The remainder are considered the "good worker" or high criterion group.

Each aptitude selected for trial norms is checked, singly and in combination with others, against the criterion split for selective efficiency. The mean minus the standard deviation rounded to the nearest multiple of five is used as a central cutting score for each selected aptitude. Four additional potential cutting scores are established by adding and subtracting five and ten points respectively to each central cutting score. The number of persons in the high or low criterion groups who fail to exceed each potential cutting score for each aptitude is tallied. Many of the combinations of aptitudes and cutting scores can be eliminated from further consideration at this point on the basis of excessive cutting or extremely poor selectivity.

Remaining aptitude and cutting score combinations are tried in pairs, the best several of which are selected as basic pairs. This process is repeated, adding all remaining aptitude and cutting score combinations, to form three aptitude and then four aptitude combinations with specific cutting scores for each aptitude. Usually a substantial number of three and four aptitude combinations have a markedly higher selective efficiency than any others, and only these are

(See TROOPER, Page 46)

At award ceremonies at the Caswell Building in Raleigh ESC Supervisor of Evaluation and Training Irma Johnson receives her 30-year certificate and pen from ESC Chairman Henry E. Kendall. About 20 department heads and fellow old timers gathered in the Chairman's office to see the presentation and give Miss Johnson their congratulations.

Supervisor of Evaluation and Training First Commission Employee To Attain 30 Years' Service

The first employee with the State Employment Security Commission to complete 30 years' service with the agency was honored earlier this year as ESC Chairman Henry E. Kendall presented service pin and certificate to Supervisor of Evaluation and Training, Irma Johnson.

A graduate of Duke University with a BA degree, Miss Johnson began work with the State Department of Labor in 1933. When the General Assembly created a free employment service under this agency, she reopened the Raleigh State employment office, one of five in the State, in 1933. Her work began with the National Reemployment Service.

In 1936 the Unemployment Compensation Act was passed in North Carolina and the Employment Service Division became part of the Unemployment Compensation Commission.

During this time Miss Johnson was an interviewer in the Raleigh local office.

In 1941 she was transferred to the State office as a training technician. She stayed in this position for six months and was subsequently promoted to Training Supervisor. In 1949 all evaluation and training for both Unemployment Insurance and Employment Service Divisions were combined and Miss Johnson has been Supervisor of this joint service ever since.

Irma says her group has trained every interviewer who has come with the Commission since 1950. "I cannot estimate the number, maybe 75 interviewers every year and numerous central office people."

Taking congratulations and good natured kidding from fellow old timers in the Chairman's office, Irma said she'll be around for many more years with the ESC.

. . . AND THIS YEAR WILL SEE OTHER 30 YEAR EMPLOYEES

Irma Johnson was the first employee of the ESC to complete 30 years service with the Commission, but by the end of 1963 there'll be many more employees to join this circle.

The following people are employees who will complete, or who would have completed 30 years service with the Commission by the end of 1963:

Rebecca F. Boyct, Interviewer, Greensboro; Earle W. Brockman, Manager, Gastonia; Lee J. Craven, Manager, Raleigh; Simon P. Davis (retired), Manager, Bryson City; Lillian P. Grimes, Interviewer, Roanoke Rapids; Sherwood E. Hobby (retired), Accounting Clerk, Central Office; Janie L. Holoman, Interviewer, Roanoke Rapids; Irelene L. Kistler, Interviewer, Greensboro; Anne B. Knowles, Labor Market Analyst, Charlotte; Mollie A. Poag, Interviewer, Winston-Salem; Mary E. Powell, Stenographer, Raleigh; Henry I. Shepherd, Area Supervisor; Marguerite B. Smith, Stenographer, Winston-Salem; Mrs. J. W. Strickland (retired), Raleigh; Myrtle R. Watters, Interviewer, Durham; Floyd I. White, Farm Placement Interviewer, Elizabeth City; and Carl M. Baber (deceased), Manager, Mt. Airy.

CHARLOTTE

A Labor Market Study by ANNE B. KNOWLES, *Charlotte ESC Office*

The Charlotte labor market area includes all of Mecklenburg County and is located in the progressive industrial piedmont section of the State. It has a potential labor supply and commuting pattern of a 30-mile radius where over half-million people reside.

The area has experienced remarkable growth during the past 13 years. In 1950 its population was over 197,000 persons. In 1960 it increased to over 272,000 and the population is expected to pass 300,000 persons by mid summer. The largest city in the two Carolinas with over 200,000 people living within its corporate limits, Charlotte has a diversified economy and is one of the nation's major distribution centers with home and branch offices of many national firms located here.

In March, 1963, the civilian labor force of the area was estimated at 134,350, total employment, 129,350, and total unemployment of 4,700 persons.

Non-agricultural wage and salaried workers employed in the area total 113,725 with about 84,925, or 75 percent, employed in non-manufacturing. Trade stands out as the major employer, providing jobs for about 31,600 people or 37 percent of the non-manufacturing total. Service is second with 14,500, or 17 percent of the workers. Transportation, communications, and utilities is the third largest employer with 13,025 or 15 percent of the workwers.

Favorable Diversification

The manufacturing segment employs about 28,800 persons with 6,550 or about one-fourth of this number employed in textile mill products (including hosiery). New industries coming into the area have favorably broadened Charlotte's diversification of manufacturing operations which has naturally resulted in a decreasing importance of the textile field. Second in number employed is food and kindred products with 4,075 workers followed by chemicals with 2,850, which is currently the fastest growing industry in the area. Although manufacturing accounts for only a little more than one-fourth of the wage and salaried workers, it is important because all types, except tobacco, are represented here.

Grouping self-employed and unpaid family and domestic workers together, an estimate of 14,745 people are employed, ranking about equal to the number of service employees.

Farm employment is constantly lessening because as the metropolitan city expands the number of farms decrease. An estimate of 1,180 persons are now employed on farms of the area.

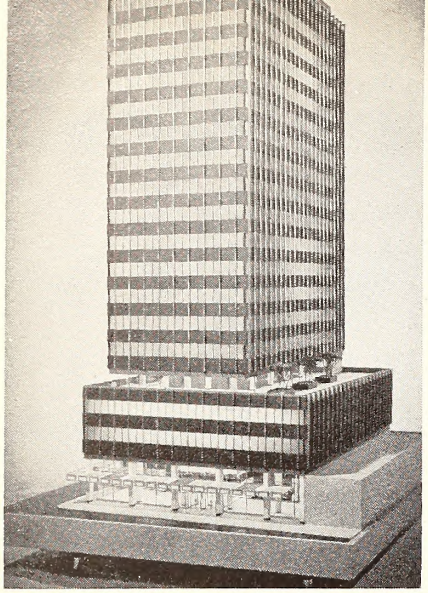
With the large number of currently employed workers, the output of goods and services are below the area's capacity to produce and does not represent the maximum purchasing power.

Arrayed before us is a growing and increasing labor force with more and better educational opportunities being offered young people as well as older workers interested in upgrading their skills. Three, four-year colleges and two, two-year colleges are located in Mecklenburg County. Three business schools and an Industrial Educational Center serve the area.

Unemployment

Unemployment, estimated at 4,700 persons in March, is about 3.5 percent of the labor force. Unemployment is influenced by the large number of new entrants each year of high school and college graduates as well as in-migration from other areas. About 20 percent of the unemployed are experienced clerical and sales persons. Twenty percent of the unemployed are skilled, 23 percent are semi-skilled and the remainder are classified in entry occupations, 15 percent; unskilled, 11 percent; service, 6 percent; and professional, six percent.

This unemployment represents unused manpower, and new additions to the labor force are constantly enlarging our production and service potential. About 2,800 students are expected to complete high school in



THE CUTTER BUILDING

June. Of this number about 1,500 are expected to enter the labor force. Other students plan to further their education, go into the armed services, leave the area, or in some cases girls will get married and not seek work.

Nineteen hundred and sixty-three promises little, if any, reduction in the number unemployed since new and re-entrants to the labor market are expected to exceed new and additional job availabilities. Nor will industry be able to absorb all workers released from their present employment by mechanization, automation, and technological advances. The very young, the unskilled, the semi-skilled, and older workers may add to the number of unemployed.

Reasons For Unemployment

Some workers are unemployed because they are untrainable due to lack of education. Some are unemployed because they want white collar jobs and they are blue collar material. Some workers, primarily women, cannot work night shifts and most manufacturing firms operate two shifts or rotating shifts and most stores stay open until nine or ten p.m. which requires staggered working hours. Reflecting a down-trend for such persons, unskilled and semi-skilled job prospects continue to be limited.

Likely To Remain

The Charlotte area is now classfiied by the Department of Labor as a "C" area, or one of moderate unemployment. For the past ten years the area has been classified in this category and likely will remain in this classification in the foreseeable future. During the past ten years more than 34,000 persons have been added to the area's payrolls which indicates that employer needs for personnel both present and future can be met.

Job opportunities are plentiful in the area. An average of about 400 to 500 jobs are listed with the local Employment Security Commission office at all times. With shortage occupations existing in certain professional, clerical, and skilled jobs, some jobs go unfilled because of mismatching of demand and supply.

Turnover in the area is generally low although some job-hopping is in evidence, mainly the occupations on the shortage list. Wage differences appear to play an important part in this.

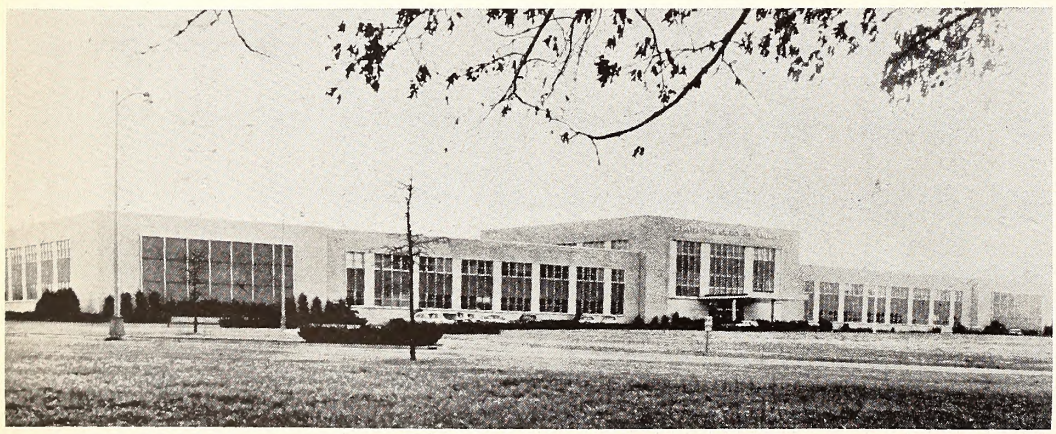
Average earnings in the area for factory workers during February, 1963, were $72.50 for a work week of 40.5 hours. An average factory worker earned $1.79 per hour during the month.

Potential Unlimited

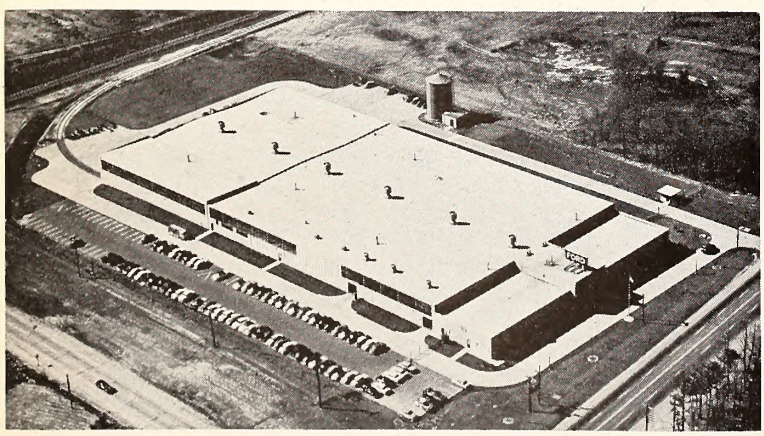
The potential for the area's growth is unlimited. Since the Korean War, the area has experienced a construction boom. The downtown area has had a "face-lifting." Nineteen industrial parks and 23 shopping centers have been erected in all sections of the city. The structure of banking in the area has changed considerably. Several mergers have occurred and many branches established to extend customer service, making Charlotte the financial center of the two Carolinas.

An excellent system of first class highways radiate in all directions from Charlotte which provides excellent facilities for commuting. Ninety-six motor freight terminals and warehouses are located here available for inter and intra-state hauling. Air transportation plays an important part, also. Four railroads serve the city and four interstate passenger bus companies run regular schedules offering ready transportation to near and far distant parts. Electrical power is supplied by Duke Power Company. Available to both residential and industrial consumers, natural gas is supplied by the Piedmont Natural Gas Company. Telephone service is provided by Southern Bell Telephone Company and Western

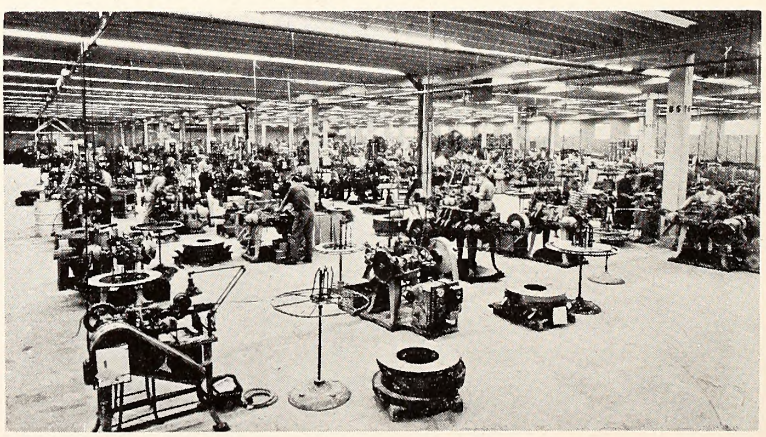
(See CHARLOTTE, Page 46)



CELENESE CORPORATION OF AMERICA



FORD CORPORATION

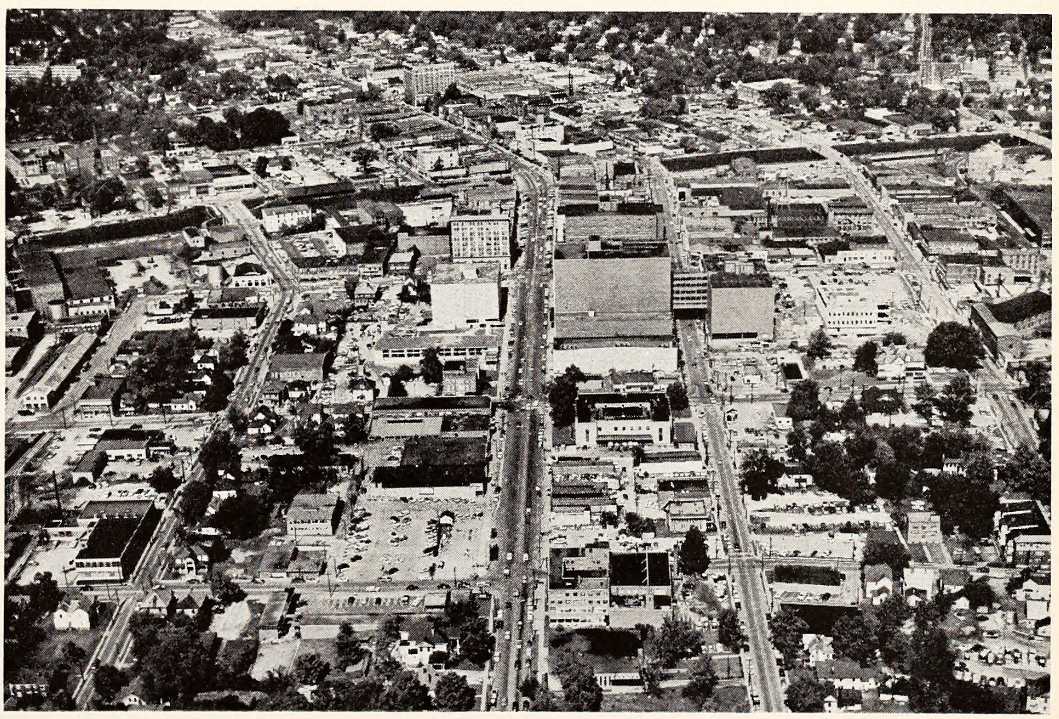


CUYAHOGA PRODUCTS, INC.

GREENSBORO

GREENSBORO—HIGH POINT

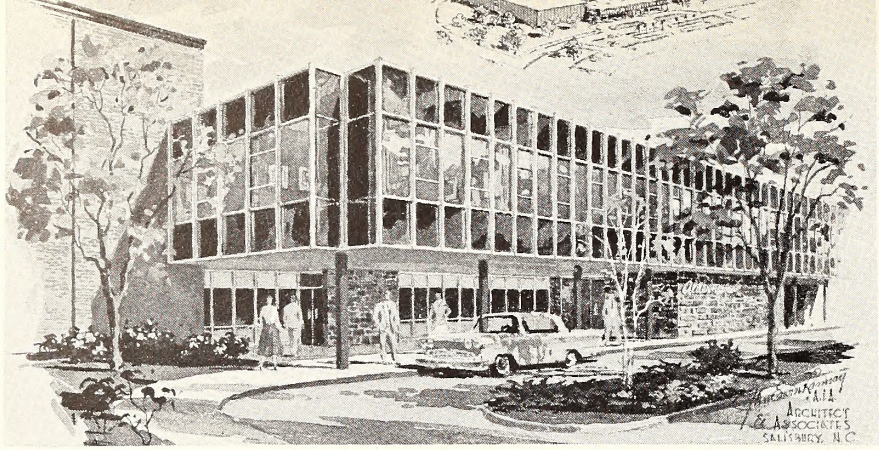
A Labor Market Study By CHARLES O. FORBIS, *Greensboro ESC Office*



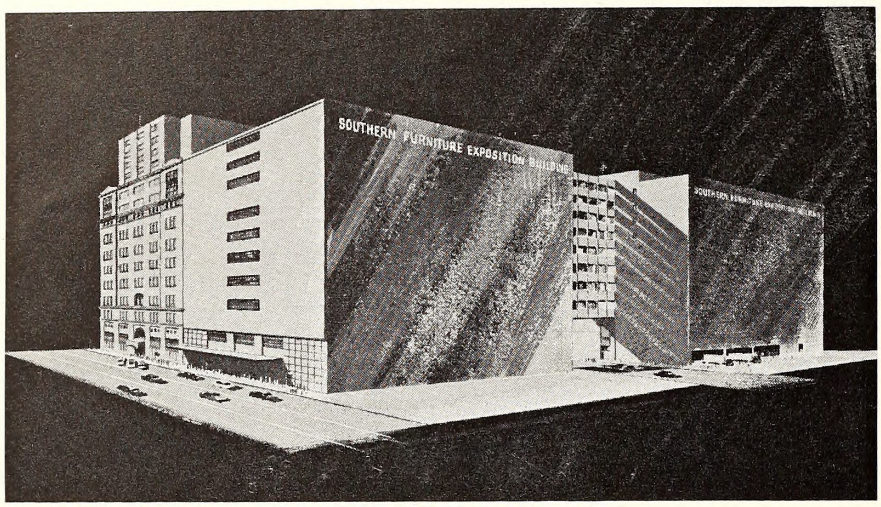
HIGH POINT

The Greensboro-High Point standard metropolitan statistical area is encompassed by the boundaries of Guilford County, and in terms of the 1960 population, is the second largest city in the state. With an area of 651 square miles, a population of over 246,000 persons and a labor force approaching 123,000 workers, Guilford County is truly "the pivot of the Piedmont." Once a predominantly textile community, Greensboro's industrial growth during the past decade has resulted in a much greater diversification. Prior to 1958, employment was concentrated in the manufacturing segment of the County. Since that time, however, non-manufacturing industries have emerged as the principal employer, accounting for

(Continued)



ALDERMAN STUDIOS, HIGH POINT



FURNITURE MARK, HIGH POINT

almost 60 per cent of total non-agricultural wage and salary employment.

The labor market situation compared to other areas in the State and nation is very good. Unemployment is slightly over three per cent of the County's civilian labor force, while the national ratio stands at more than six per cent. Over 3,000 firms employ more than 120,000 workers in Guilford County. Of this total, around 103,000 are non-agricultural wage and salaried workers; almost 14,000 are self-employed, unpaid family or domestic workers; and the remainder are in agriculture. In 1961, wage payments to employees covered by unemployment insurance amounted to more than $349 million. The average weekly wage of all covered employees was $78.

Manufacturing, textiles, furniture, and apparel industries dominate the employment picture and together account for almost two-thirds of the 44,000 workers employed in the segment. Among other manufacturers are producers of food and kindred products, cigarettes, chemical and allied products, paper goods, fabricated metals, and machinery. These smaller groups give added diversity to the County's economy.

Non-Factory Payrolls

The importance of the non-manufacturing division to the area is brought out by the fact that of all persons gainfully employed, 62 percent (76,000) are on non-factory payrolls. Among these industries, trade and service dominate with trade accounting for about 21,000 workers and service providing employment for some 10,000 individuals. Construction employment averages about 7,000; transportation, communications and public utilities over 6,000; finance, insurance and real estate about 6,000; and government almost 10,000.

While the non-farm economy was changing, agricultural economy was changing, also. According to the 1960 census, the number of persons working in agriculture declined by about 1,500 between 1950 and 1960. As might be expected, there occurred only a negligible decline in the acreage harvested since changing farm methods reduced the need for workers. The principal products in terms of acreages devoted include corn, wheat, tobacco, and livestock grazing.

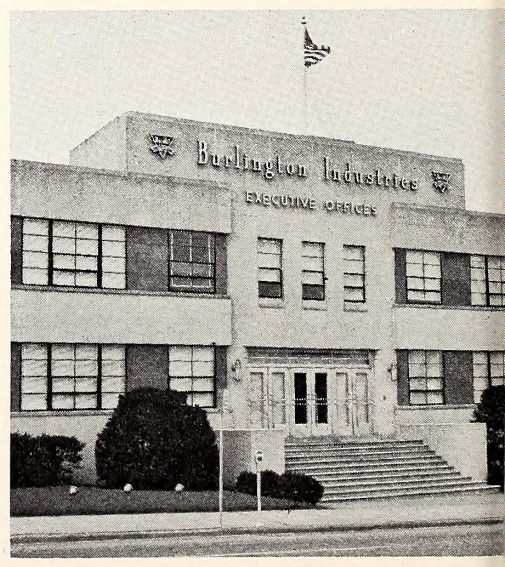
Labor Potential

One asset necessary for industrial expansion is labor, and Guilford County has an ample supply. This group can be divided into two broad categories: those persons actively seeking work (the unemployed) and those who would accept jobs under favorable circumstances. Current estimated labor supply data indicates that approximately 4,000 persons now residing in and around Guilford County are recruitable for industrial jobs. Of this number, about 1,200 are either skilled or semi-skilled and some 2,700 are unskilled but referrable and trainable for jobs requiring skills. An industry locating in the area would be able to recruit workers from portions of adjacent counties, and a new plant with an initial staffing requirement of 400 workers, 80 percent male, would be afforded a selection ratio of over five to one. Each year, approximately 1,460 high school graduates enter the labor market in Guilford County and surrounding areas. It is estimated that about 1,150 of these graduates would be available for industrial jobs.

Guilford County is unique in that it encompasses two major cities whose basic economies differ widely. High Point, often referred to as the furniture and hosiery capitol of the South, has one of the most heavily industrialized economies in the industrial Piedmont. Currently, manufacturing accounts for 60 per cent of High Point's total employed non-farm labor force, and 67 per cent of the 20,000 persons employed in its manufacturing industries are working in furniture or textiles. As a major industrial center, High Point has generated many secondary "supply" industries tied into its basic textile and furniture operations. Its major plants are large purchasers of industrial goods, particularly metal products, hardware, paints and varnishes, textile products, paper products, machine parts, and many others.

Taken in order of its total employment, High Point's industrial breakdown is as follows:

1.	Textiles (including hosiery)	6,800
2.	Furniture	6,500
3.	Apparel	900
4.	Fabricated Metals	850
5.	Food	850
6.	Lumber and Wood	750
7.	Paper Products	700
8.	Chemicals	500
9.	Printing & Publishing	400
10.	Machinery	200



BURLINGTON INDUSTRIES, GREENSBORO

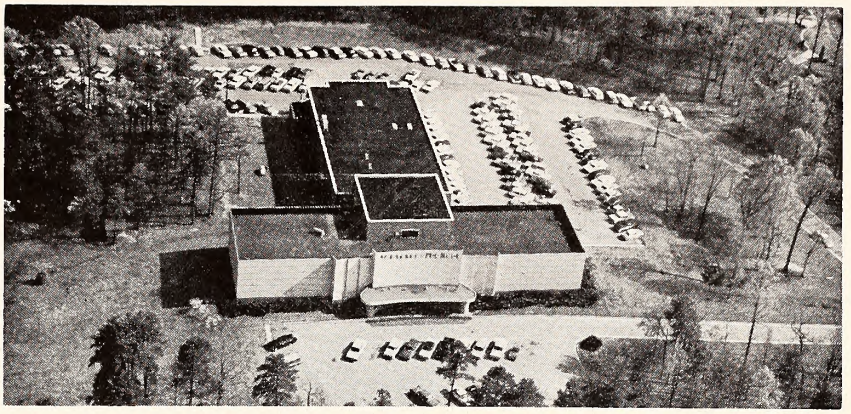
Diversity and Balance

Greensboro has made tremendous economic gains since World War II. For the most part, Greensboro's post-war economic expansion was marked by adding greater diversity and balance to its economy, not only in manufacturing, but also in the various sectors of its non-manufacturing economy as well. Non-agricultural employment in Greensboro has expanded more rapidly since 1951 than employment in the State, the Southeast and the United States as a whole. The city has experienced a net gain of 33.8 per cent in its non-farm employment between 1951 and 1960 compared to a 22.7 per cent increase for the state and a 11.9 per cent gain in the Nation. Non-manufacturing employment accounts for 65 per cent of Greensboro's non-farm employment. Manufacturing as an industry, however, is the dominant activity in Greensboro's economy—accounting for approximately four out of every ten workers in its employed non-agricultural labor force. But its proportionate share in manufacturing is definitely not as large as that concentrated in the more heavily industrialized centers of High Point. The employment picture of the city's major industries is as follows:

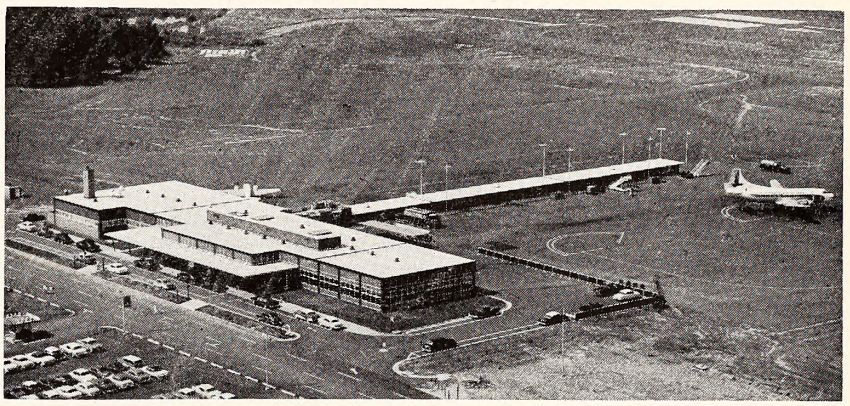
1.	Trade	16,000
2.	Textiles	9,500
3.	Service	7,000
4.	Government	7,000
5.	Construction	5,500
6.	Finance, Insurance & Real Estate	5,000
7.	Transportation, Communication. and Public Utilities	4,000
8.	Apparel	3,000
9.	Machinery	2,500
10.	Tobacco	2,500

Due to the difference in the economic structure of the two cities, unemployment fluctuations in Guilford County are primarily dependent on employment changes in High Point's manufacturing industry and Greensboro's non-manufacturing segment. The largest single factor influencing joblessness is seasonal unemployment. During the fall and winter months, the number of job seekers reaches its yearly peak. Past trends indicate that unemployment begins its annual increase in late October and early November—influenced by two main factors—adequate inventories and slack demand among hosiery producers resulting in substantial layoffs of semi-skilled workers and declining employment trends in agriculture. From January through March, joblessness is at its peak as additional unemployment from post-holiday terminations in retail trade and significant cutbacks in construction activities because of inclement weather combine to push the unemployed figure to its yearly zenith.

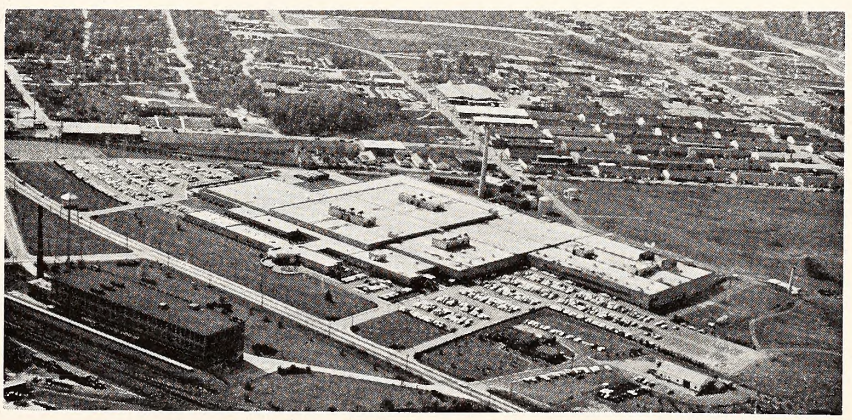
Most important, Guilford County has outstanding assets that put it in a position to play a greatly expanded role in the broader economies of the industrial Piedmont in the years ahead. It is obvious that Guilford County's future holds promise of tremendous economic expansion and by sound planning, these assets can be used to preserve the greatness of the county's past and present as well as to promote the developments of the future. We are confident of the area's growth and contribution.



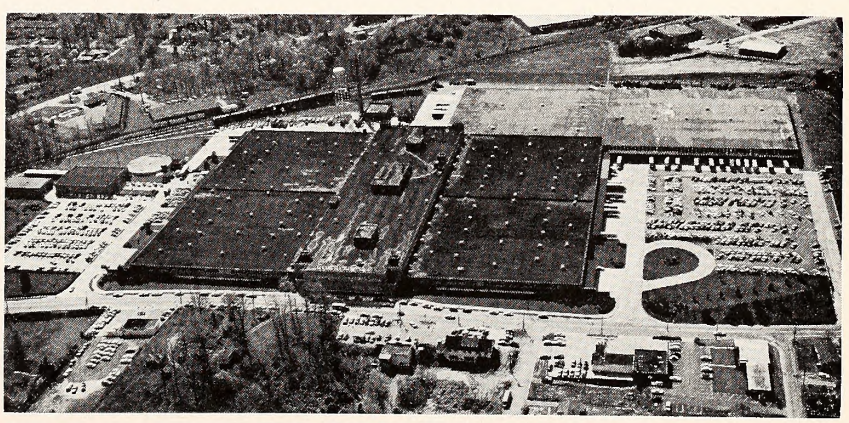
J. P. STEVENS AND COMPANY, GREENSBORO



GREENSBORO-HIGH POINT AIRPORT



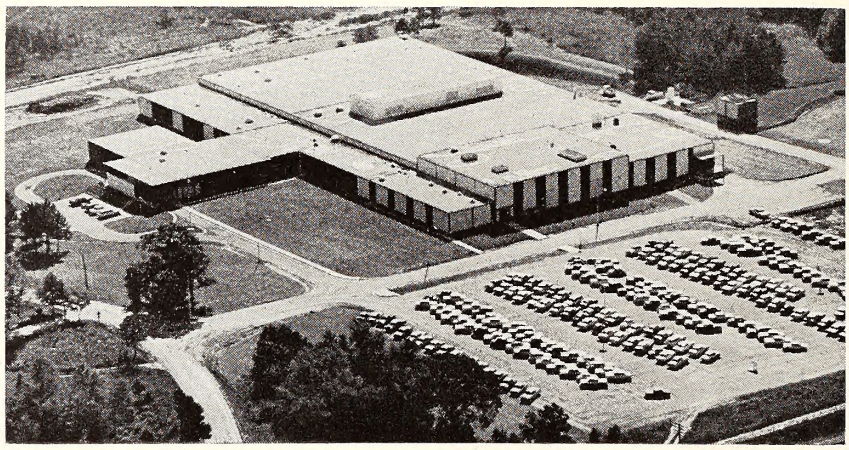
P. LORILARD COMPANY, GREENSBORO



SEARS ROEBUCK, GREENSBORO

RALEIGH

COMPILED FROM INFORMATION SUBMITTED BY THE RALEIGH ESC OFFICE



CORNING GLASS

The Raleigh area offers an encouraging labor market because it does not experience chronic unemployment problems.

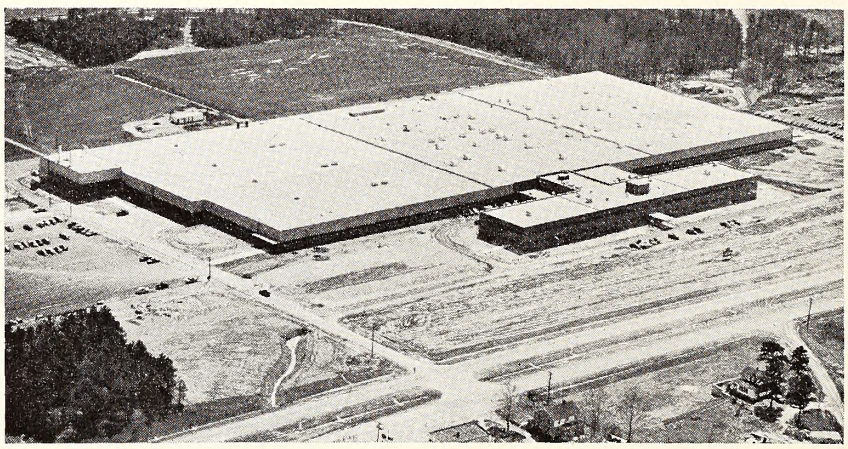
Wake County is one of ten in the State with a large surplus of recruitable workers for industrial development. Seasonally low unemployment in the area stood at only 2.3 percent, a factor which is most responsible for the attraction of industries to the area. Diversification of workers and industries causes the labor market to fluctuate steadily as mechanization of the farm and the migration of families to urban areas continually makes available a large supply of splendid rural type labor for industrial purposes in and around Raleigh.

Approximately 40 percent of Wake County's population resides in rural communities and this labor is available, not only for industrial activities within the immediate Raleigh vicinity, but also for employment in industries located in various Wake County towns.

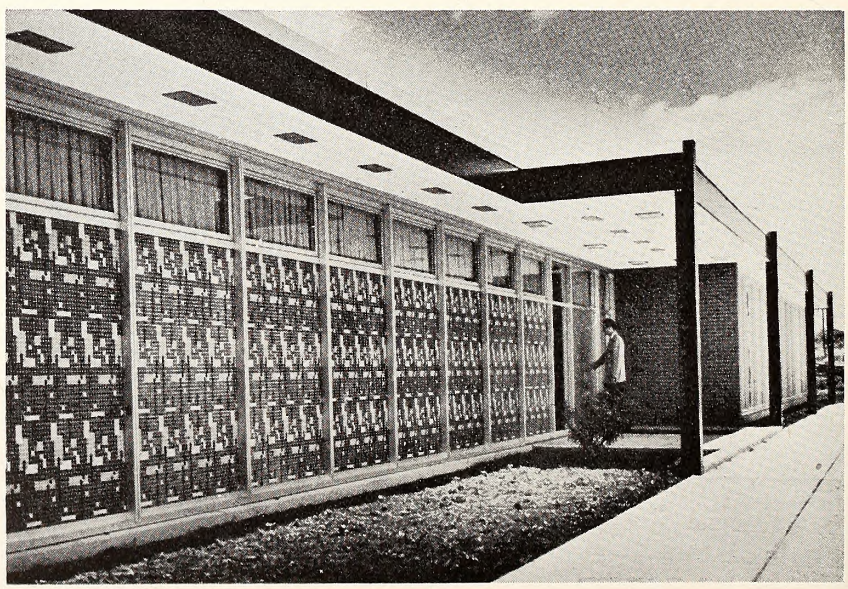
To meet the demand for workers with some type of industrial training, the Wake County Industrial Education Center will begin operations in September, 1963, with nine different areas of instruction. Primary purpose of this IEC is to develop human resources and enhance the business climate of the State. This, in turn, benefits the people, employers and the State. Pre-employment training is of great advantage because it cuts down on labor turnover, production waste, increases efficiency and expedites quality production from new employees. On-the-job training for employees and supervisors is beneficial for improving ability and skills for better job performance and up-grading personnel.

Raleigh has more than 9,000 persons employed with State agencies and more than 1,000 people are working for Federal agencies.

The largest manufacturing firms in the Raleigh area are in the electrical and mechanical field. Employment in manufacturing increased from 8,840 workers in 1961 to 9,425 in 1962, a



WESTINGHOUSE



NOLAND COMPANY

6.2 percent increase. Employment by wholesale distributors increased from 3,200 in 1961 to 3,500 in 1962, which is an 8.5 percent increase. From 1961 to 1962 retail trade employment increased from 10,125 workers to 11,050.

Other than State and federal governmental work, no one industry predominates the Raleigh-Wake County area. Textiles, apparel, tobacco, construction, finance, insurance, real estate and others are represented. To some degree there has been a concentration of electronic firms locating in the area which has increased demands for workers with experience in this field.

Prospects for new industry are substantially encouraging. An estimate reveals that approximately 11 different employers are considering the Raleigh area for location of industrial plants and other operations.

The nearness of the Research Triangle with its vast capabilities probably accounts for some of this interest in the Raleigh area. The Raleigh Chamber of Commerce and other interested groups have spent considerable time and effort to bring new and expanding industries to the section and to increase the employability of its population.

Unemployment is generally influenced by seasonal work in construction, the completion of tobacco processing, and adequate inventories in textiles. Business deaths contribute slightly to the unemployment situation.

In May, 1963, the Wake County work force numbered 77,440 persons with 2,280 workers unemployed. Non-agricultural wage and salaried workers totaled 59,685; non-farm self-employed unpaid family workers and domestics, 9,675; and agriculture workers, 5,800. From the wage and salaried group, 8,620 people work in manufacturing industries and 51,065 work in non-manufacturing industries.

Raleigh has constantly expanding local markets and retail sales have shown a marked increase every year for ten years. Centrally located for transportation in all directions, Raleigh has an easily trained and ample labor supply. With six colleges, the City has unsurpassed educational facilities. The effective buying income per household is $8,243 per annum which assures strong local buying power. The area is in the center of a large agricultural section with a high purchasing potential and is in the midst of industrial development.

ASHEVILLE

A Labor Market By Analyst JOHN M. BENNETT, *Asheville ESC Office*

The Asheville area is not "just growing"—it is growing along lines that give promise of continued long run growth and more stable income. This is economic progress.

As used here, the Asheville area refers to the metropolitan area and is defined as Buncombe county, a county with "Men To Match Our Mountains" as stated in Latin on the great seal of Buncombe county.

The Vanderbilts and the Groves would not have recognized much change in the area in the early 1950's. However, today, they would see multiple changes that have taken place in the past ten years. They would see an awakened community with intelligent planning and cooperative action which have played most important parts in Asheville's economic growth. It will not only be felt in 1963, but in years to come.

The community, in recent years, has made provision for an ample water supply sufficient for years in the future. The people have voted funds as needed to provide a near adequate school building resource. Housing has been improved through federal housing projects, and unsafe and slum housing conditions are being condemned in a long-range program for improved housing. In 1960, a multi-million dollar crosstown expressway through Asheville was opened to ease downtown traffic congestion, and interstate highway construction is getting closer and closer. Jet-age air transportation came to western North Carolina mountains when Asheville's new all-weather airport went into service.

In 1960, Asheville's long-sought expansion of city limits materialized, allowing the city to extend its metropolitan functions and, currently, plans are underway for a massive sewage disposal system to help clean up the French Broad River. A relatively new Industrial Education Center is already "bursting at the seams" with the highest student enrollment in the State and fourth in floor space. Plans are to double the size of this facility in the immediate future to meet the increasing demands of individuals, business and industry.

Asheville-Biltmore College is on the verge of becoming a four-year community college within the next year, pending current legislative action which appears favorable. The Western North Carolina Regional Planning Commission, first such planning body in the State, promises that wasteful expansion can be avoided and replaced by fact-based preparation for social and economic change. The Metropolitan Planning Board does long-range planning for the area and the Redevelopment Commission hopes for

favorable reaction at the municipal general election toward acceptance of urban renewal bonds. The bonds ($750,000) represent the city's cash contribution to a $3 million civic center redevelopment project north of City-County Plaza.

The value of building permits issued reached an all-time high in 1962, and it appears that 1963 may see another record high. Motel construction has moved at a rapid pace over the past several years. Old landmarks are being demolished to make way for new buildings and parking areas. Shopping centers have sprung up in and around Asheville. Amusement and recreational facilities are being expanded. Branch banks have been established throughout the area and old buildings are now being razed to make way for two new bank buildings—one a 19-story skyscraper on Pack Square to be the tallest in western North Carolina. Hospitals and other medical services have expanded in recent years to meet the growing needs of the community and funds have been made available for further expansion at Memorial Mission Hospital and replacement units at the VA Hospital. Utilities are expanding—foremost at this time is the construction of Carolina Power and Light Company's new steam generating plant at Arden. Government has expanded with the newest addition being the Federal Aerial Photographic Laboratory.

Asheville's location makes it an important trade center for western North Carolina. Its scenic beauty and favorable climate have made it an important resort center, attracting nearly ten million tourists a year. Today, tourists do not generally stay for prolonged periods as they once did. Modern highways and facilities, however, attract an ever increasing number and for an extended season.

Let's go back a few years and pick up Asheville's major problem, as seen by many—that of a chronic labor surplus. Historically, the unemployment problem has been plaguing the Asheville area for 80 years, excluding the latter years of World War II when labor shortages were prevalent over the Nation. The condition stemmed from the seasonal nature of the tourist trade and inadequate growth of manufacturing job opportunities. Consequently, there was large scale outmigration to areas with greater job opportunities, which alleviated but did not correct the situation.

Following World War II the local public employment service office started publicising the existing unemployment problem in its newsletter, AREA LABOR MARKET NEWS. In 1948, the Asheville Industrial Council was created. Supported by leading business and professional men of Asheville, it reflected the desire of everyone in the area for a sound and intelligent expansion of the industrial economy. The Industrial Council's activities are of a "promotional" nature—no industry financing. Later, this organization became the industrial branch of the Chamber of Commerce.

The Asheville Chamber of Commerce operates with a budget of $192,000 per year (1963), one of the largest in the Southeast. Its efforts are directed toward western North Carolina development, as well as progress in the immediate Asheville area. The activities of the Chamber extend to many diversified fields covering the very important resort and tourist business, conventions, industry, agriculture, and all other interests of a constructive nature.

The Asheville Agricultural Development Council, another branch of the Chamber of Commerce, is working with farmers and farm-connected industries to promote further development of the farm potentials of the area and western North Carolina.

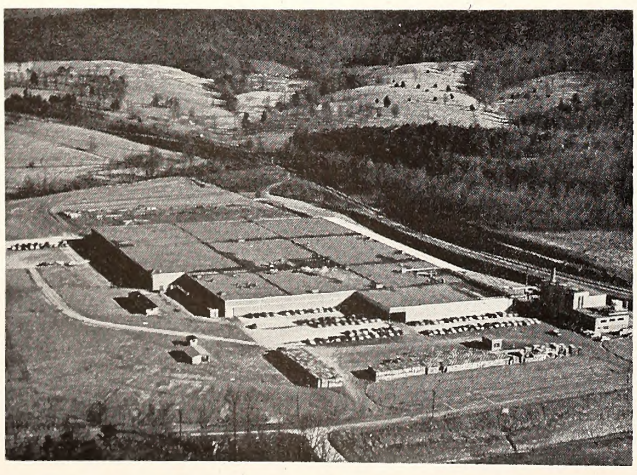
The Asheville office of the Employment Security Commission of North Carolina has been an effective participant in community employment development activities by working closely with the Industrial Council, other agencies of the community and State, and prospective employers. It took team work, "get-up-and-go," and time, along with the geographical, social and cultural advantages the area has to offer, to do something about the unemployment problem.

Someone has said, "An individual community can ill afford to rely on chance to provide its life sustaining economic growth." Industrial diversification leaves the growth of an area much less vulnerable to economic change than an area specializing in one or a few related industries.

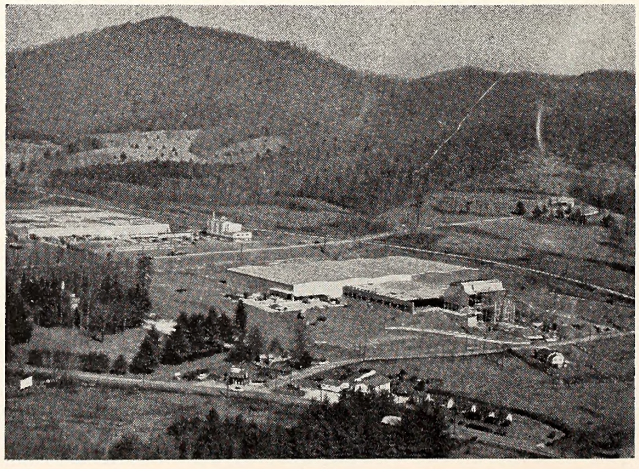
In the past decade Asheville has been able to further the diversification of its industry. True, some plants have either retrenched, closed, or moved away. However, manufacturing employment increased for 11,200 in March, 1953, to 16,270 in March, 1963, resulting from new plants and expansion in others. Textiles and chemicals combined to employ 7,000 workers in 1953, about 63 percent of all manufacturing. Currently, these two major industries employ some 8,450 workers, only 52 percent of the total, thus pointing to both growth and diversification over the years.

Diversification has even taken place within the big industries. American Enka Corporation, a major producer of rayon yarns, moved into the nylon production field in 1954. Multiple expansion of nylon facilities have followed along with a multimillion dollar research center and the transfer of marketing division personnel from New York. Enka is the giant of W. N. C. industry. Amcel Propulsion Company was added to the area's chemical industry in 1959 to produce high-energy chemicals, propellants, explosive devices and propulsion units for America's missile and space programs.

Textiles have maintained fairly



GERBER PRODUCTS COMPANY



GERBER AND BALL BROTHERS CO.

stable employment over the years. Rather than concentrated, they represent blankets, knit sweaters, bleaching and finishing cloth, broad woven fabrics, and a number of hosiery mills producing men's half hose and ladies full-fashioned hose to round out diversification in textiles.

Electrical products gained a foothold in the area with 100 workers back in 1946. New electronics plants were secured during and following Korean hostilities to bring current employment to a level of 1,750.

Three new furniture plants have been secured since 1953 with a resultant employment increase from 650 to a current 935, offsetting a loss in logging and lumbering over that period.

Apparel and other finished products gained a foothold in the area in the mid-1940's. New and expanding firms, including the making of parachutes, raised the employment level of the industry from 660 workers in the mid-1950's to a 1963 total of 1,750.

With 1958 came another new firm to the area, The Hicks Corporation, manufacturers of rocket motors; while 1959 brought further diversification in the form of a glass container plant, Ball Brothers Company; and, a baby food plant, Gerber Products Company. A number of other manufacturing industries have realized significant employment gains over the past decade due to the advent of other new firms to help round out a diversified economy.

What have been the results of the community action? The results have been economic progress—new and expanded industry of a diversified nature, advanced employment, curtailment of outmigration of our workers, a reclassification of the area from one of a chronic labor surplus to one of moderate unemployment, and progress along other lines making the community a better place in which to live.

Due to advanced employment and reduced unemployment, the U. S. Department of Labor removed the area from a chronic labor surplus classification in September, 1959. At that time, it was one of the few chronic unemployment areas that had made any headway with its problem. Recessionary conditions followed a year later, reflecting a national affiliation. In February, 1961, the area was again reclassified to the labor surplus category. However, the staffing of new and expanding plants was not to be held back and, led by American Enka Corporation (rayon-nylon), the area began a quick recovery resulting in another reclassification by the U. S. Department of Labor in May, 1962, again to that of moderate unemployment which is continuing.

Employment and unemployment in the area is influenced greatly by seasonal activities. There is an historical spread of some 4,000 workers from the seasonal low in January to the seasonal high in August reflected primarily in agriculture, construction, trade, service, government, and the self-employed and unpaid family workers. To meet the seasonal demand, there is considerable immigration and re-entrants to the labor force of the area.

The prospects for additional new industry are good and efforts are continuing in that direction. The Industrial Council of the Asheville Chamber of Commerce has developed a number of new proposals to meet increasing competition in the search for new industry. Additional new industry is needed to make jobs available for new entrants to the labor market each year, to further retard outmigration, to pull outmigrated workers back home, and to give gainful employment to the currently unemployed.

For vacation, retirement, or industrial growth, Asheville is an area of economic progress.

YOUTH

(Continued from page 23)

determine the number and plight of youths recently attempting to enter the labor market.

It also will deal in schools and facilities available to render needed training; agencies, both governmental and civic, available to assist in the development; operation and coordination of community-wide youth programs; a youth placement office in which the youths themselves participate; and work projects in the field of government service, recreation, and part beautification.

Reed has recommended a full-time youth counselor-coordinator, the immediate opening of a Youth Employment Service office; appropriations of monies to pay staff members and special youth work projects on an experimental basis for pilot studies; monies to provide for surveys to determine total youth needs in the area; and a Mayor's Advisory Coordinating Committee to guide the youth program of the Employment Security Commission.

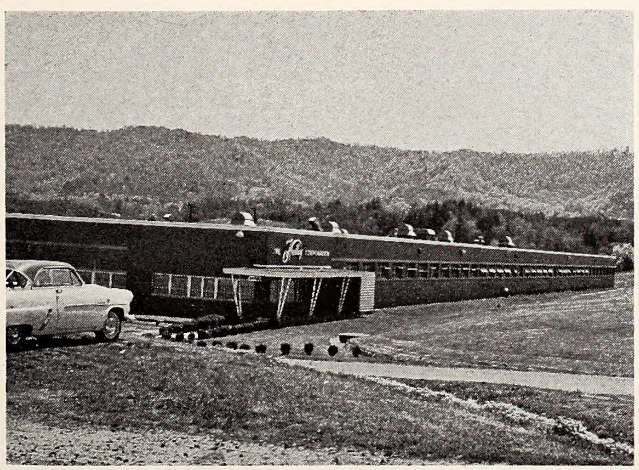
Part-Time Jobs

According to a recent survey, part-time jobs sought by high school students in the residential field include baby sitting, housework, washing, cleaning, lawn care, yard work, assisting at children's parties and "mother's helpers."

In the commercial line, students are seeking jobs as cashiers, clerks, garage workers, office workers, sales workers, surveyors, cleaners, fountain workers, kitchen workers, receptionists, shelf stockers and theater workers.

During 1962, over 100 area business establishments employed minors.

Jobs are expected to be available in the fields of recreation, retail trade, agriculture, production and service.



HADLEY CORPORATION

THE HICKS CORPORATION

WINSTON-SALEM

A Labor Market Study by Analyst JAMES R. GARDNER, *Winston-Salem ESC Office*

The Winston-Salem labor market area, which includes all of Forsyth County, is located in northwestern North Carolina on the fringe of the Piedmont Belt. Winston-Salem, "The Twin City," is the third largest city in the State and was founded in 1766 by a group of Moravians who had come from Pennsylvania 14 years earlier to begin a new settlement in the rich Piedmont land of North Carolina. The Moravians laid out their new town according to carefully made plans, and the settlement grew rapidly as a religious and trading center.

In 1849, the North Carolina Legislature created the new county of Forsyth from part of Stokes County, and Winston was founded as the county seat. The courthouse square was laid only one mile north of Salem Square. The town of Winston grew rapidly as industries, especially tobacco, furniture and textiles, prospered. Winston and Salem grew together both in boundaries and interests and in 1913, by vote of the citizens of both communities, they were consolidated as Winston-Salem.

Today Winston-Salem is the home of R. J. Reynolds, the world's largest tobacco company; the world's largest manufacturer of mens' and boys' knit underwear—the P. H. Hanes Knitting Company; and the world's largest manufacturer of seamless hosiery—the Hanes Hosiery Mills Company. In 1946, Western Electric Company moved to Winston-Salem and now has several manufacturing and training operations and plants in the city.

Winston-Salem is the largest tobacco manufacturing center in the country. Over 40 percent of the 39,050 factory workers in the Winston-Salem area were employed in the tobacco industry during the November, 1962, seasonal peak period. However, the area contains a notable complement of widely diversified and important manufacturing and nonmanufacturing industries, including: textiles (hosiery and knit-wear), electrical machinery, furniture, and transportation (interstate trucking).

Significant, too, is the area's standing as an important trading and tobacco marketing point for the predominantly agricultural northwestern counties of the State. About 38,150 persons are employed in nonmanufacturing industries, with nearly one-third in trade establishments.

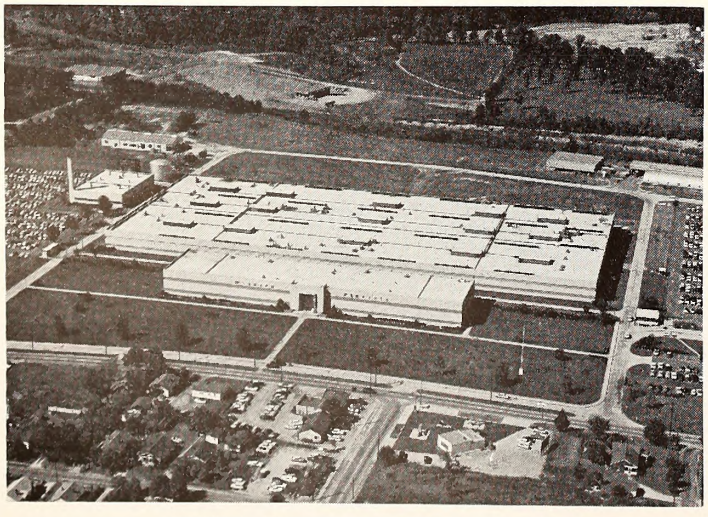
Tobacco, of course, is the leading industry in Winston-Salem. There are seven tobacco manufacturing firms employing some 14,500 persons. Seasonal employment boosts this figure 2-3,000 for several months of the year.

There are 25 manufacturers of textile mill, apparel and other finished products in the county, employing approximately 10,600 people. Manufactured products include hosiery, knit underwear, overalls, dungarees, cotton good, tape, etc.

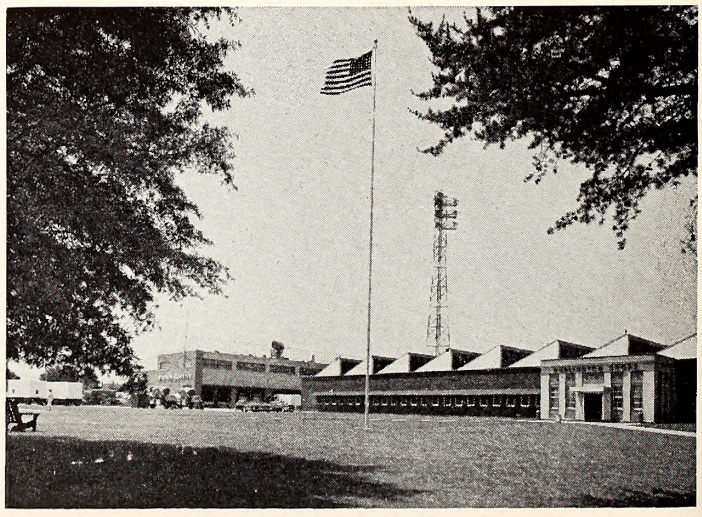
Electrical machinery has become one of Winston-Salem's leading industries. There are three firms with an estimated total employment of 5,800 and among the items that are currently manufactured are batteries, electronic and communications equipment.

The Winston-Salem area is characterized by sharp seasonal changes in labor supply conditions. Unemployment is traditionally lower in the fall months when tobacco processing operations are in full swing. Heavy surpluses of workers prevail in the spring and early summer months resulting from layoffs of from 2-3,000 seasonal workers in the first quarter each year. Apart from the seasonal fluctuations, total unemployment in the area has followed a moderating trend since 1940, when some 7,500 persons were either seeking work or were employed on public relief projects. By May of 1950, due to expansion in electrical machinery and other local industry, unemployment began to recede and, with the exception of seasonal reversals, has generally followed this downward trend ever since.

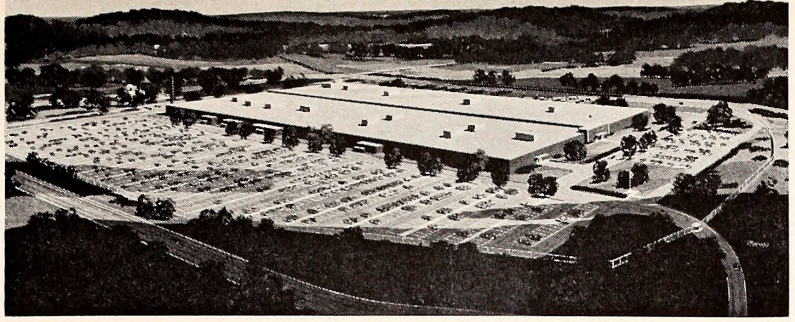
Unemployment in 1962 averaged about 3,800 or about 4.2 percent of the civilian labor force. During the fall when tobacco processing operations were in full swing, unemployment averaged about 2,500 or 2.8 percent of the civilian labor force. In the spring and early summer, however, unemployment averaged 4,450 or 4.9 percent of the civilian labor force. This resulted from layoffs of some 2,500 seasonal tobacco workers during the late winter months and the influx of about 2,000 students in



WESTERN ELECTRIC, WINSTON-SALEM



WESTERN ELECTRIC, BURLINGTON



HANES HOSIERY MILL CO.

P. J. HANES KNITTING CO.

early summer seeking temporary and permanent employment.

The Winston-Salem metropolitan area is classified by the U. S. Department of Labor as an area of moderate labor surplus, signifying that job seekers are moderately in excess of job openings. In November, 1962, (when unemployment was seasonally at its lowest point) some 2,425 persons were registered for work with the Winston-Salem employment office. Over one-third of the applicants were non-white and almost one-half were women. Over 40 percent of the total were classified as unskilled, domestics or inexperienced. Substantially heavier numbers of unskilled, non-white female workers are available in the "off-season." However, a wide variety of skills and industrial attachments are usually represented in the local office job applicant files.

Turnover rates for most local industries are well below national averages. In October, 1962, for example, the separation rate for the Winston-Salem area was 18 per thousand workers while the quit-rate was only nine per thousand workers.

The available number of industrial recruitable workers in the Winston-Salem area ranges from a high of about 5,500 in the spring and fall months to a low of around 5,000 in the summer and winter months. The most notable effect upon this industiral labor potential supply is the annual entry each June of some 1,000 high school and college graduates into the local civilian labor force. About half of these available recruitable workers at any given time of the year are unskilled. Women generally comprise well over half of these available workers. The major industrial attachment of the skilled and semiskilled recruitable workers are textiles, electrical machinery and tobacco, usually in that order.

During the past decade, some 35 new manufacturing firms have opened in Forsyth County. Firms considering Winston-Salem for a new location will find excellent municipal services provided at reasonable costs to both firms and individuals. A 1960 enactment by the North Carolina General Assembly of a bill sponsored by the Forsyth County Board of Commissioners transformed the County Farm in Winston-Salem to an Industrial Park of some 500 acres, creating an Industrial Park Commission and authorizing the appropriation of funds for these purposes, and is evidence of the city's interest in attracting new industry to Forsyth County.

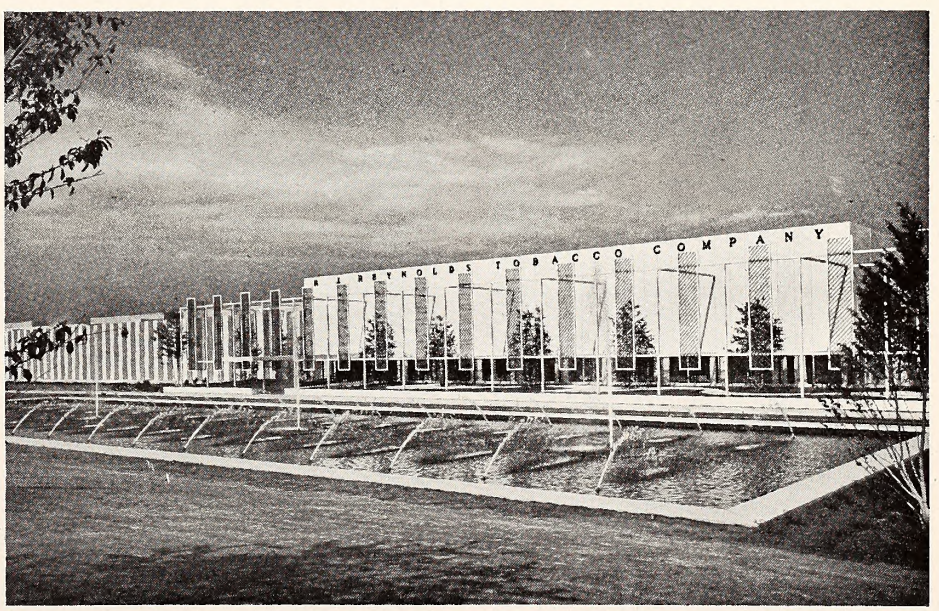
Manufacturing is, and always has been, vitally important to Winston-Salem. The significance of this was made apparent by the statement of Marshall C. Kurfees, former mayor of Winston-Salem: "Prospective industrial and commercial enterprises will receive complete and enthusiastic cooperation from the elected officials and others in Winston-Salem city government.

We appreciate the fact that our city needs new industry and diversification as well as expansion of our existing firms in order to grow and prosper."

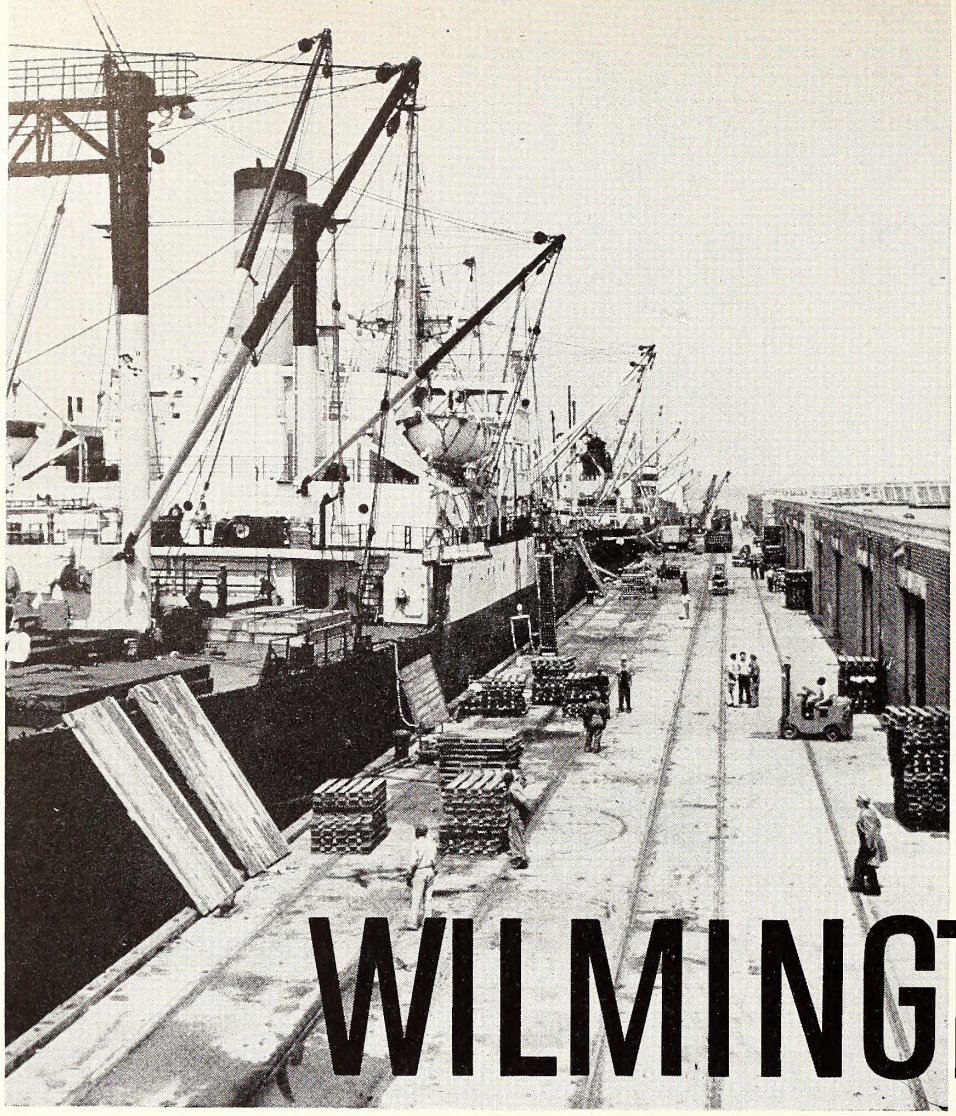
Referring to the working people of the Winston-Salem area, John C. Whitaker, Honorary Chairman of the Board of the R. J. Reynolds Tobacco Company said:

"For approximately 40 years, I have observed the rank and file employees of our area. I have seen them adapt themselves from an almost entirely rural economy to one that is fast reaching a balance between industry and agriculture. During this transition, I have observed an adaptability on the part of our working men and women that is amazing. More than anything else, I think, our people are characterized by a willingness to learn that carries with it all of the implications of enthusiasm and loyalty that any manufacturer seeks so hard to have among his employees.

"Where we once performed operations by hand, we now perform them by machines of a highly complicated character. We have not had to go outside the area to find people who would willingly train in these higher skills."



R. J. REYNOLDS TOBACCO COMPANY



WILMINGTON

A LAROR MARKET STUDY FROM INFORMATION SUBMITTED BY THE WILMINGTON ESC OFFICE

The Wilmington area is looking to the future with optimism.

Reassuring is that the growth in insured employment (excluding railroad workers) in the Wilmington area during the last decade has steadily increased. During this period New Hanover County's insured employment has risen from 11,100 to 15,827 in 1962.

A closer look, however, at the employment trends of the different industry divisions that go to make up totals reveal a considerable deviation from the statewide pattern. To begin with, New Hanover County was able to maintain approximately the same overall insured employment growth during the 12-year period only by having a greater percentage gain in manufacturing. This is significant because manufacturing gains are conducive to growth in other industry divisions. Given a good manufacturing base in employment, expansion in other industry divisions, such as utilities, trades, and services will follow. During the period from 1950-1962, manufacturing employment in New Hanover County rose from 4,344 to 6,464, a gain of 48.8 percent with an estimated employment by 1965 of 7,000, a gain of 61.1 percent in 15 years.

The Wilmington labor market area is comprised of New Hanover and Brunswick counties. Total unemployment in 1962 averaged 6.6 percent. By April, 1963, this had dropped to 4.6 percent, or 1460 unemployed persons from the total 31,910 worker labor force.

Employment Concentration

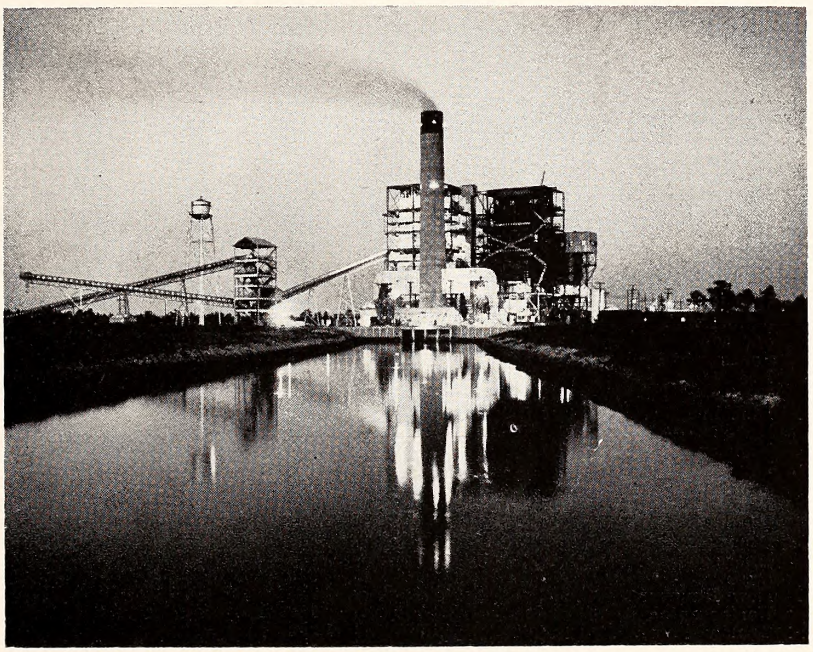
The area's largest textile employment is concentrated in four plants. Spofford Mills, Inc., makes broadwoven cotton fabrics. Timme Corporation manufactures broadwoven fabrics, chiefly of man-made fibers. This plant opened in 1950 and now covers over 12.5 acres with 10.5 acres under one roof and is the second largest textile building in North Carolina, employing over 700 people with an annual payroll of approximately $3 million. Products include plushes, velours, furniture and transportation fabrics. These products are used by the toy, cloaking, automotive, railroad, and airplane industries. Diamond Mills Corporation is a seamless hosiery plant. Wilmington Lace Division of International Stretch Products manufactures lace. Illustrating the growth of textile employment in the area is an 83 percent rise from 1950 to the second quarter of 1960.

The apparel division, which now consists of five plants, has also enjoyed a sharp gain over the years. Most of the apparel firms are large and still growing, such as Garver Manufacturing Corporation, Southland Manufacturing Company, which makes sport shirts, France Neckwear Manufacturing Company, and Century Mills, a lingerie plant.

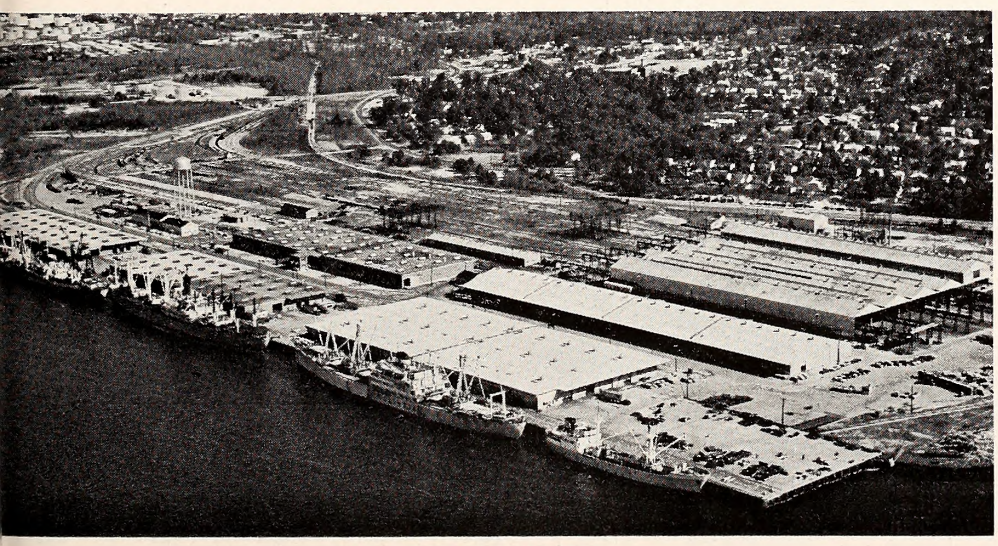
Industry Diversified

Employment in the food products division enjoyed an increase also. This diversified division provides a number of jobs for workers in the area. These are meat packers, such as Wilmington Packing and Warnet Sausage; dairy plants, such as Sealtest and Echo Dairy Farms; food and kindred

WILMINGTON WATERFRONT



CAROLINA POWER AND LIGHT CO.



N. C. PORTS TERMINALS

products, such as Fox's Royal Bakeries, Tasty Bakeries; and four bottling plants, etc.

Lumber and wood products add to the economy of New Hanover County, also. Chemical and allied products consist of nine fertilizer manufacturing plants with two additional chemical plants under construction, Carolina Nitrogen and Allied Chemical. Ideal Cement plant is nearing completion, other new plants under construction will employ approximately 400 persons.

Fabricated metal products consist of Tenney Engineering Company and Babcock & Wilcox, which is one of the largest employers in New Hanover County. Babcock & Wilcox ranks among the largest manufacturing firms in the area which has contributed greatly to the area's manufacturing growth. Only a few years ago this industry's employment was practically nil. Today Babcock & Wilcox Company, Inc., is the dominant employer in this group and one of the major establishments in the area, employing approximately 700 persons, with an annual payroll of approximately $4 million.

Although Riegel Paper Company is not in New Hanover County, approximately 25 percent of its employees commute from Wilmington. It employs over 1,000 persons with an annual payroll of approximately $7½ million.

Public utilities such as Carolina Power and Light Company, Southern Bell Telephone Company and others contribute to the growth of Wilmington. Water transportation and shipping has enjoyed steady growth over several years.

Wilmington now looks ahead to a vigorous economy, a healthy and sustaining growth. The area has much to offer industries, trades, services, utilities, etc. Manufacturing and There are two railroads, a major seaport for foreign trades, a large airport with considerable tonnage capacity, and several major highways serving the area.

Consisting of a four-year college, in addition to several junior and senior high schools with over 3,000 high school students, the county's facilities are attractive in education. Tourism effects the employment situation in Wilmington. Seasonal work in the fishing industry and in fertilizer and water transportation account for increased claims for unemployment payments during non-seasonal work. Other firms have mostly stable employment. Furthermore, much community pride and drive abound in the local population. And finally, the area can more than accomodate a great employment expansion owing to its abundant labor supply and community resources.

NORTH CAROLINA LABOR SUPPLY LISTED BY COUNTY

In each North Carolina county there is a reserve of referable workers available for staffing new and expanding industry. Quarterly estimates of this labor supply are prepared by the Employment Security Commission local offices for each of the State's 100 counties.

The following table shows the estimated number of resident workers considered to be available in each county for production jobs in new or expanding industries. Only those individuals who already possess production job skills and only those persons, ordinarily under 45 years old, who are deemed to be adaptable, trainable, and referable for manufacturing jobs are included in the labor supply estimates.

Generally, the recruitable and referable labor supply is made up of the following two groups:

Persons Currently Seeking Work

(1) The unemployed

(2) Persons with less than full-time employment

(3) Individuals holding jobs which do not utilize their highest skills

(4) Certain others, such as school dropouts, returnees from military service, etc.

Potential Jobseekers

(1) Housewives who would join the labor force if more suitable work or better job opportunities were available

(2) Workers who are now commuting to jobs in other areas but who prefer local employment

(3) Young people who expect to find jobs upon completion of their schooling

(4) Agriculture workers are interested in industrial jobs

An estimate of the labor resources for a specific industrial site usually requires consideration of the labor supply in the central county plus the labor supply in portions of adjacent counties within a 15-25 mile radius of the plant location. Estimates of this type can be obtained from the Bureau of Employment Security Research when needed.

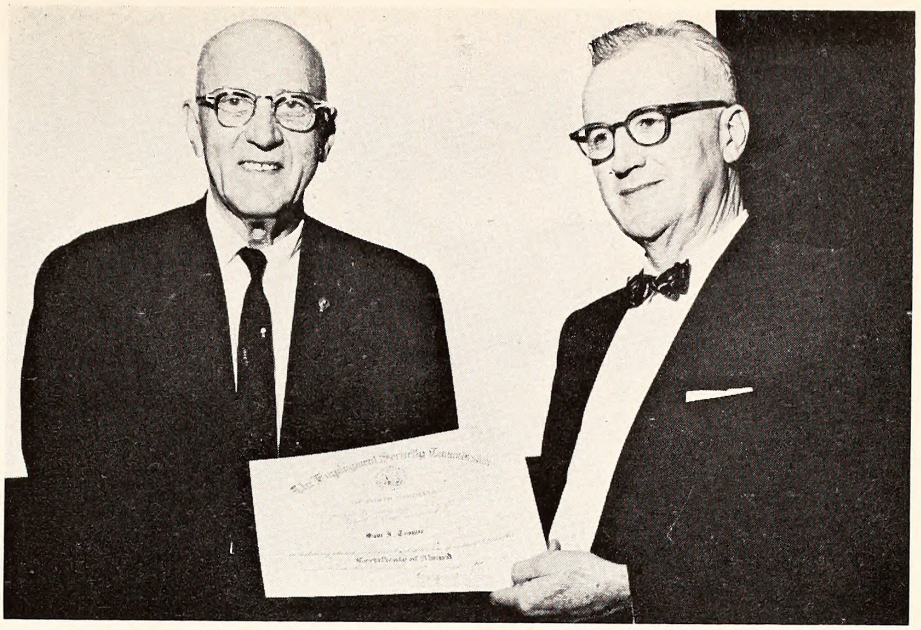
When appropriate, the Employment Security Commission will assist local community groups and individual employers in making labor surveys based on questionnaire responses. Such surveys yield more detailed information on the characteristics of the labor supply such as industrial work experience, occupational skills represented, personal characteristics, etc.

ESTIMATED RECRUITABLE LABOR FOR INDUSTRIAL DEVELOPMENT IN NORTH CAROLINA, BY COUNTY
JUNE 15, 1963

County	Total	Sex and Racial Characteristics				Skilled and Semi-Skilled	Unskilled but Referable and Trainable
		White		Nonwhite			
		Male	Female	Male	Female		
STATEWIDE	178,772	60,216	67,667	24,538	26,351	46,441	129,584
Alamance	2,620	926	1,040	285	370	1,170	1,390
Alexander	695	225	410	30	30	125	560
Alleghany	360	215	125	10	10	75	280
Anson	1,300	425	500	175	200	400	890
Ashe	1,065	635	405	10	15	210	835
Avery	890	420	470	—	—	175	705
Beaufort	3,850	1,285	1,200	525	840	820	3,025
Bertie	1,696	386	295	425	590	204	1,489
Bladen	900	260	265	240	135	120	775
Brunswick	1,505	465	430	275	335	325	1,165
Buncombe	3,600	820	1,660	310	810	780	2,800
Burke	3,400	1,200	2,000	100	100	1,075	2,280
Cabarrus	2,000	520	930	375	175	1,000	975
Caldwell	1,200	300	770	30	100	200	990
Camden	390	155	95	90	50	55	335
Carteret	1,675	225	500	715	235	35	1,630
Caswell	480	110	120	125	125	95	355
Catawba	4,300	1,570	2,520	100	110	2,205	2,015
Chatham	1,530	605	520	205	200	440	1,080
Cherokee	1,600	830	675	55	40	460	1,110
Chowan	960	285	400	125	150	165	780
Clay	850	480	340	25	5	270	565
Cleveland	1,560	535	710	165	150	270	1,275
Columbus	1,150	320	330	260	240	160	985
Craven	2,525	950	620	460	495	555	1,865
Cumberland	5,450	1,830	1,745	1,090	725	1,735	3,625
Currituck	410	185	125	50	50	30	380
Dare	255	125	100	20	10	—	255
Davidson	2,785	810	1,380	270	325	940	1,770
Davie	1,500	745	525	165	65	250	1,225
Duplin	1,400	300	300	400	400	300	1,100
Durham	15,300	965	2,180	630	1,525	1,710	3,565
Edgecombe	1,650	360	625	325	340	590	1,045
Forsyth	5,675	1,750	2,100	1,000	825	1,230	4,375
Franklin	1,995	645	795	270	285	295	1,670
Gaston	3,425	1,370	1,655	200	200	1,525	1,850
Gates	465	175	115	130	45	90	365
Graham	1,000	520	480	—	—	325	660
Granville	1,200	125	175	350	550	300	860
Greene	830	245	300	120	165	85	720
Guilford	5,850	1,875	2,420	650	905	1,765	4,060
Halifax	1,750	410	485	225	630	260	1,465
Harnett	3,225	920	835	825	645	1,050	2,115
Haywood	1,790	990	755	25	20	575	1,190
Henderson	2,330	1,315	825	115	75	695	1,625
Hertford	825	120	360	145	200	60	740
Hoke	1,510	485	420	310	295	590	865
Hyde	290	80	55	65	90	115	175
Iredell	1,950	650	800	250	250	625	1,290
Johnston	3,280	1,200	1,320	305	455	395	2,840
Jackson	1,230	715	490	15	10	360	850
Jones	385	130	130	80	45	40	345
Lee	1,800	575	560	325	340	425	1,360
Lenior	2,125	675	700	350	400	325	1,605
Lincoln	1,600	520	930	75	75	600	975
Macon	1,000	545	435	10	10	200	790
Madison	1,200	250	950	—	—	280	920
Martin	1,511	345	370	390	406	342	1,152
McDowell	2,400	805	1,260	195	140	740	1,625
Mecklenburg	3,025	800	1,200	375	650	925	2,085
Mitchell	1,200	540	660	—	—	430	755
Montgomery	975	290	340	160	185	225	745
Moore	2,410	725	745	465	475	520	1,800
Nash	1,525	370	600	230	325	515	995
New Hanover	2,015	695	745	275	300	490	1,475
Northampton	710	130	180	170	230	105	575
Onslow	4,000	1,665	1,200	650	485	975	2,925
Orange	1,415	275	750	110	280	560	830
Pamlico	450	175	80	110	85	70	375
Pasquotank	990	275	370	120	225	340	620
Pender	1,450	375	465	285	325	350	1,090
Perquimans	425	125	140	100	60	120	300
Person	915	165	320	120	310	300	605
Pitt	2,830	1,000	460	805	565	180	2,600
Polk	1,455	805	550	70	30	355	1,095
Randolph	2,195	985	955	130	125	980	1,200
Richmond	1,600	575	650	175	200	450	1,140
Roheson	1,700	465	485	355	395	320	1,370
Rockingham	1,160	385	405	190	180	305	800
Rowan	3,500	1,955	1,135	275	135	650	2,750
Rutherford	1,220	325	765	50	80	285	915
Sampson	3,005	895	790	755	565	945	1,965
Scotland	1,300	375	450	225	250	450	840
Stanly	1,605	465	635	250	255	410	1,185
Stokes	1,150	400	550	125	75	205	940
Surry	1,200	615	455	55	75	345	840
Swain	600	350	245	—	5	30	570
Transylvania	1,300	705	445	100	50	260	1,030
Tyrrell	380	155	75	85	65	90	290
Union	1,310	420	405	255	230	155	1,145
Vance	1,500	250	350	350	550	375	1,070
Wake	*4,895	1,735	2,045	580	535	990	3,740
Warren	1,500	250	250	500	500	300	1,170
Washington	1,325	390	272	368	295	400	923
Watauga	1,100	555	515	15	15	165	925
Wayne	2,700	600	700	700	700	600	2,025
Wilkes	1,675	635	910	65	65	345	1,305
Wilson	2,195	750	605	390	450	385	1,750
Yadkin	475	200	250	10	15	85	385
Yancey	900	410	490	—	—	220	665

SAMUEL F. TEAGUE RETIRES AS ESC CHIEF OF BENEFITS

Whitley and Ogburn Named to Direct Claims Department



Samuel F. Teague, first ESC Chief of Benefits, receives his service certificate from Unemployment Insurance Director Fuller Martin (right) at ceremonies at the ESC Central Office in Raleigh. Earlier, Mr. and Mrs. Teague were honored at dinner by personnel of the Claims Department at Raleigh's Elk's Club and awarded many gifts.

Seventy-seven-year-old Samuel F. Teague, the Employment Security Commission's first Chief of Benefits, retired July 1 after 26 years as a State employee.

His Claims Department occupied the entire third floor of the ESC central office building in Raleigh, and to the 160 members of that section, the venerable Teague has become an unforgetable figure.

"I was brought up like an umbrella," says Teague, "raised everywhere." A native of Randolph County, he was a practicing attorney in partnership in Goldsboro before joining the Employment Security Commission in 1937. After 23 years as a lawyer, and after a tour as a State senator from Wayne County in 1935, Teague came with the ESC to help organize the Claims Department when the Unemployment Compensation Tax Act established a system of unemployment insurance in North Carolina. He directed that division, which has the responsibility of determining eligibility for benefit payments to jobless workers, since its beginning and every unemployment insurance payment made by the State since the program's inception has been made under Teague's supervision.

Son of a country and Civil War doctor, Teague learned telegraphy as a boy and became an operator with the Seaboard Airline Railroad when he was 17 years old.

He subsequently attended Buies Creek Academy, back before it became Campbell College, then went to UNC for four years of history.

After another stint as a telegrapher, this time with the Atlantic Coastline, Teague became principal of a school in Fremont, N. C., at "$75 a month," he says. After two years as school principal in Goldsboro when he studied law during the summer, Teague resigned and returned to UNC for a law degree.

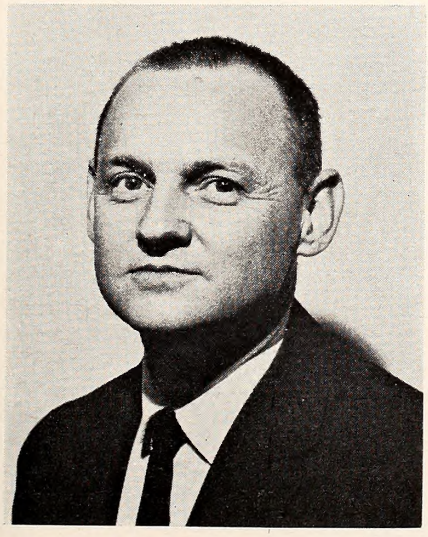
The father of four sons, he has been married to the former Lou Norwood of Goldsboro for 47 years. One son is an associate professor at Los Angeles State College. Another is an assistant general sales manager with Drexel Furniture Company. William Teague is a district manager for General Motors Heating and Air Conditioning products, and the youngest son, Tom, is taking his masters degree in commercial art in Richmond.

A member of the First Baptist Church in Raleigh, Teague has served as a deacon, superintendent of the Sunday School and as a member of the General Board of the Baptist State Convention for 10 years. He is also a 10-year member of the Board of Trustees at Campbell College, has served for four years on the Board of the Baptist Childrens Homes, and as a member of the Board of Trustees of the Greater University for eight years. Teague is also a past master of the Masonic Lodge in Goldsboro and past president of the Capital City Kiwanis Club.

Replacing Teague as ESC Chief of Benefits is Theodore Whitley of Cary, N. C., a former Plans, Methods, and Procedures Analyst and Assistant Chief of Benefits since December. Whitley joined the Commission as an Interviewer in the Greensboro local office in 1946. He later served as supervising claims interviewer in Washington and as a Claims Deputy in Gastonia.

He became a Plans, Methods, and Procedures Analyst in the central office in 1953.

Moving up to the vacated Assistant Chief of Benefits spot is another Plans, Methods, and Procedures Analyst, Hugh Ogburn. Also with the Commission since 1946, Ogburn previously worked in Waynesville, Fayetteville and Albemarle. He served as a Field Representative, a Claims Deputy and Interviewer. He came to Raleigh in 1953 as an interstate Claims Deputy. A Korean veteran, Ogburn is a native of Apex, N. C.



WHITLEY

OGBURN

GOVERNOR'S INTERN PROGRAM SENDS STUDENT TO ESC

A young lady from Kannapolis was a guest of the Employment Security Commission this summer—a participant in Governor Terry Sanford's Intern Program.

Twenty-year-old Sara Anne Trott will be learned the in's and out's of State ESC work as one of 20 outstanding students from North Carolina colleges who observed first hand the overall picture of State government and its administration.

It is the second summer Governor Sanford has invited students to tour State agencies. Some were assigned special projects during the 10-week Raleigh visit, and Sara went through a three week orientation period with the ESC, including induction trainee instruction. Later, she was assigned work in a specific section of the ESC.

Sara, nicknamed "Cissy," says she is "real impressed so far with the Commission's work."

She attended Woman's College in Greensboro last year and plans to enter UNC this fall, majoring in History. After graduation, Sara says "she would like to go into some field of government, maybe go back to school for a masters degree and possible teach and write."

Sara is the daughter of Mr. and Mrs. Sabert S. Trott, 310 West Ave., Kannapolis. Mr. Trott is an employee of Cannon Mills in Kannapolis, and "Cissy" has five brothers.

"CISSY" TROTT

Mrs. Jeonnette M. Groinger soys goodby to fomilior quarters in Wilson. She onnounced her retirement in Morch ond oll of her time with the Commission hos been spent in the Wilson locol office os manoger. Flowers in the photo were donoted by well-wishers in Wilson, os the long-time ESC manager completed 40 years of public service.

Mrs. Grainger Retires From Wilson Office, ESC Announces Other Manager Changes

Mrs. Jeannette M. Grainger, 23 years manager of the Wilson Employment Security Commission, retired on March 15. All of her time with the Commission was spent as manager of the local office.

Mrs. Grainger is a person who has had 40 years of public service work. "In 1922 I went to work with the Presbyterian Board of Missions in Kinston," she explains. "In 1927 I returned to Wilson as director of City Welfare. But it seems to me that this job (ESC manager) has probably been more challenging than any one of the positions which I have held because, in my opinion, the privilege of placing a worker in a job and making him self-supporting, rather than to just hand the necessities of life without any effort, is better for him and offers him a greater challenge."

The first time Mrs. Grainger entered a State Employment office was the day she became manager in Wilson. "I might be the only person in North Carolina to go into an office that was fully organized the first time as manager. I had worked with the Employment Security Commission over the telephone and through welfare work in WPA and EPA programs, but I had never been in an employment office.

"Wilson has grown in many ways," reports Mrs. Grainger. "It's grown in population, it's grown in industry, it's grown in expansion. It's grown in so many ways that it would be hard to enumerate. But, I would say this. The future of Wilson is bright and Mr. Cherry and the staff have a marvelous opportunity to go ahead and make this employment office a real service to the community as I have tried to do.

"About the only plans I have now is rest a little," Mrs. Grainger says with good humor, "and then do as I've done all these years—tend to everybody's business."

Mrs. Grainger was succeeded as manager by Amos Cherry who moved to Wilson from the Rocky Mount local ESC office.

Other manager changes during the past several months involve a promotion for John L. Ellis. He was promoted from Veterans Employment Representative in Murphy to manager of that local office when former manager Jack Wilson was transferred to Asheville. Wilson made the change to Asheville to succeed Mark Edwards as Claims Deputy.

Another manager change within the Commission was the promotion of Anice Harper in Washington. She was promoted from Interviewer to Manager at that eastern county office.

Several local Employment Security Commission officers have moved into new quarters recently and in every instance the move meant additional space for interviewing, testing, counseling and other employment activities. Offices now in new buildings are located in Lexington, Henderson, Hickory, Mt. Airy, and Roanoke Rapids. Most of the new offices are closely related in design and layout, thus standardizing to some extent the general appearance and interior motif for the local offices.

ESC TESTS HICKORY HIGH SCHOOL STUDENTS' ABILITIES, APTITUDES

By Eddie Bradford, *Hickory Daily Record, Hickory, N. C.*

What should I do after I graduate from school? Should I go on to college, should I study something at a trade school or should I just start working? Just what am I suited for?

These questions and many more face high school students of today. No one can tell the student what is best for him to do or what he should do for the rest of his life. But telling these young people what they are well suited for and helping to place them in a job that they like—jobs to fit their potential and pay them at least a living wage—is one service of the North Carolina Employment Security Commission.

Every year Catawba county high schools send several hundred students into the labor market. Are these students going to go into a field that they enjoy and are well fitted for, or are they just going to take whatever kind of job that happens to come along?

Services Available

Have job openings increased in proportion with the resulting increase in the labor force?

Do manufacturing plants and businesses in Catawba County know of the extensive test and screening given these youngsters in order to determine their aptitudes and interests? And do the employers realize that these services are available to them from the Employment Security Commission whether they hire one person, 100 or 1,000?

The Employment Security Commission must week the answers to these questions each year.

Long Range Program

The testing program of the ESC in the high schools is a long range program. In the spring, trained professional staff members of the Commission visit the school, and the potential worker, then a junior in high school, takes a series of tests and is interviewed by ESC personnel. The same series of tests and interviews is carried on at the first of a school year also for any students who did not take the tests the year before, with seniors in high school being tested at this time.

In Hickory, interpretation of test results and an analysis of interests is competently handled by the Vocational Counselor in the local Employment Security Commission office. This Counselor has a background of guidance counseling and actual teaching experience, as well as having earned his Master's Degree with majors in Social Studies and Education and minors in History and Guidance Counseling.

Some Traits Not Tested

Evaluation of the tests indicates the student's aptitudes to be successful in certain jobs. Counseling is a method of assisting the counselee in making the proper vocational choice. The tests do not determine such traits as dependability likes and dislikes, adaptability to certain types of coworkers or employers or surroundings. However, in establishing with the potential worker a sound foundation to work from, the counselor is able to refer him to the Commission's placement division for interviews preliminary to actual referral to a job.

Employment Security Commission personnel have found that employers who use test selected applicants are better satisfied with their workers and get the type of personnel that they wanted to start with. However, many industries and businesses still hire worker Bill's son, John, because Bill is a good worker and therefore John should be a good worker.

Case Cited

Because of this, the following situation often occurs:

John would like to be a truck driver but he needs a job and so goes to work in the furniture factory where his father has worked for the last 25 years. John cares nothing about the job in the factory and just does enough to get by. ESC tests would show that John will do a better job in a field where he is more on his own, and the job in the factory just does not satisfy John.

Just across town a trucking company needs a new driver, and was looking for a young driver to train. A friend of the owner of the trucking firm has a son, Joe, who is looking for a job. Joe has always liked building things and likes to work with his hands but he takes the truck driving job because he needs the work.

Here are two young men who will probably not do as good a job as they possibly could because they do not like their jobs. And, of course, if the boys don't do the job that they should, their employers will not be satisfied with their work.

Many Firms Use Service

However, things could have been much different if the employer had used the services offered by the Employment Security Commission.

Many of the hosiery mills, furniture plants, business offices and other establishments in the Hickory area take advantage of the ESC tests and services, and generally they have found the services to be satisfactory.

Each year the team of interviewers goes out from the Hickory ESC office to Hickory, Fred T. Foard, St. Stephens and Hildebran high schools. Workers from the Newton ESC office test students in the lower part of the county.

Learns About Student

When the ESC workers go to the schools they give the students a questionnaire to find out whether or not the student is planning to continue his education after graduation. Aptitude tests and manual dexterity tests are given to students who are not planning to attend college or go on to any type of trade school, if they want to take the tests, that is.

After the aptitude tests are scored and the student turns in an application, a personal interview with the potential worker is carried out and information on the student is obtained from the school.

After this the ESC personnel will know a great deal about the student, or potential worker. They will have found out what he is interested in, what his grades in school have been, what his leisure time interests and hobbies are, and many other things about the person.

The records, tests, and interviews will show what his marital plans are, what his social and economic background is, and even some of his personality traits. The ESC workers will also have determined whether or not the worker has any physical limitations, and if so what these limitations call for in the way of a job.

Can't Start At Top

The aptitude tests, the interviews, and all of the other work that goes into each potential worker is combined with information given to him about the different kinds of businesses that there are in the area that are available to him. The ESC workers always try to encourage the student to go on to further his education if the tests and interviews show that the student is capable of doing the higher level work.

One other problem facing the ESC workers is the fact that many of today's young people do not want to meet the challenge of modern indus-

(See TESTING, page 46)

DR. TAYLOR NAMED TO E. S. DIVISION

Dr. James T. Taylor of Durham, well known Negro educator and retired dean of personnel and professor of psychology at North Carolina College, joined the Employment Security Commission in March as an administrative officer with the Commission's Employment Service Division staff in Raleigh.

Announcing the appointment, Chairman Henry E. Kendall said, "the Commission is very fortunate to have a man of Dr. Taylor's caliber and experience join our central office staff. His duties will include travel about the State," Kendall explained, "where he will work with recruitment of qualified personnel and special job placement efforts."

Dr. Taylor served with the Army during World War I as a second lieutenant. The 67-year-old native of Wilson is a graduate of North Carolina College with a BA degree in Psychology. He subsequently attended Ohio University where he took his BS degree in Education and an MA degree in Psychology. He was also a University Scholar at Ohio State for one year.

After leaving college he was principal of the elementary and high school in Hamlet from 1921-26. In 1926 Dr. Taylor joined the faculty of North Carolina College. In 1943 he was granted a five-year leave of absence to work with the Veterans Administration's Durham Guidance Center and the Raleigh Office of the U. S. Office of Price Administration. Subsequent to these two assignments he was Project Management Supervisor with the U. S. Office of Education for an eight-month special project. He retired from North Carolina College in 1959.

Although his new office is located at the Employment Security Commission headquarters in Raleigh, Dr. Taylor maintains his home at 2106 Fayetteville Street in Durham.

U. S. Labor Department Names Kendall Special Consultant On Europe

ESC Chairman Henry E. Kendall accepted an appointment as consultant to the U. S. Department of Labor this summer and participated in a special five-week project to study European manpower and employment conditions.

Kendall left for Washington on June 14 for a one-day briefing by Labor Department officials and departed for Europe the following day. The overseas tour included visits to England, Sweden, the Netherlands, and France.

Administrators from six other states joined Kendall, who is the President of the Interstate Conference of Employment Security Agencies, on the project. According to the Labor Department, each participant was responsible for a written report on a particular phase of the study, which included Europe's approach on minimizing unemployment and underemployment, building human resources, adapting its labor force to long range occupational requirements, and planning manpower needs and resources.

Bernard Teets, Colorado, C. P. Harding, Utah; R. L. Coffman, Texas; Samuel Bernstein, Illinois; J. L. Bland, Arkansas; and A. L. Green of New York also accepted assignments to the European study.

Commissioners Honored In Belmont, Chapel Hill

Two members of the State Employment Security Commission have recently received singular honors from their respective professions.

In Belmont, N. C., R. Dave Hall, prominent textile executive and only original member of the Employment Security Commission, received an honorary degree of doctor of laws from Belmont Abbey College.

The occasion was the College's 85th commencement exercise, and Mr. Hall was cited for "his positive contributions to the economic development of North Carolina and his wise counsel and support offered to educational institutions."

A past president of the N. C. Textile Manufacturers Association, he is currently president of the American Cotton Manufacturers Institute.

His citation said Hall "unfailingly makes important contributions to his fellow man . . . by an intense commitment to the activities of his community."

And in Chapel Hill, ESC Commissioner Dr. M. T. Van Hecke has received a distinct honor from the University of North Carolina Law School. The Spring, 1963, edition of the N. C. Law Review has been dedicated to Dr. Van Hecke: "The sum of his influence is not to be found in any classroom lectures; on any printed page, or under any of the hats he has worn. It is rather to be found in his whole career, personal as well as professional. It lies in substantial part in the warmth and depth of his friendship, in the aid and encouragement he has so freely tendered to colleagues, and in his fidelity to high aspirations."

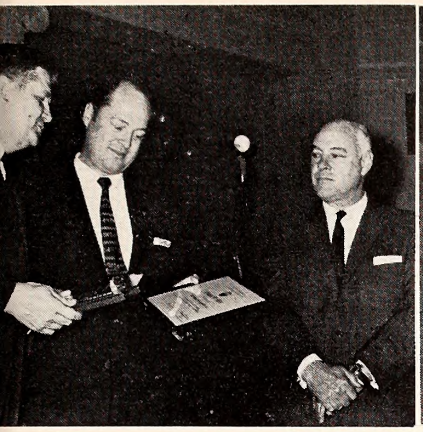
CORPORATION

(Continued from page 9)

cessing of the request. Efforts should be made to obtain the proposed loan from other sources before applying from the Business Development Corporation because the law provides that the Corporation shall not approve any application for a loan unless and until the person applying for said loan shall show he has applied for it through ordinary banking channels and that it has been refused by at least one bank or other financial institution.

When a loan is approved, a commitment letter is prepared which states precisely the terms and conditions under which the loan has been approved. Terms and conditions are considered realistic and are imposed with the view of protecting the business as well as the lender. As yet no loans have been approved for repayment over a period of more than 15 years, which is in keeping with the policy of the directors who feel that the Corporation should have as much turn-over and do as much good as possible with the amount of funds available for its use. After a loan is approved and the commitment letter formally accepted by the borrower, disbursement of the proceeds thereof is largely in the hands of the borrower, his counsel, and the Corporation's general counsel. Officers of the Corporation work closely with the borrower's counsel in an effort to expedite the disbursements.

While direct profits for the Corporation is not its primary purpose, the Corporation has been on a profitable basis since beginning operations seven years ago. A modest profit was made the first year and each succeeding year has shown an improvement. Because of its continued increase in funds available, the Corporation has not yet had occasion to defer action on any case because of lack of funds, which have been adequate for all of our requirements thus far. We want to know about any sound business enterprise having growth potential deemed worthy of long-term financial assistance.



Governor Sanford, in ceremonies in the old Senate chambers in Raleigh, presents awards to persons far their outstanding achievements in employ the handicapped activities. On the left, Rye A. Page, publisher of the Wilmington Star News, is honared as the outstanding "employer." Dr. Julian E. Jacabs af Charlotte received the aword far North Carolino's autstanding physician who has contributed most to hondicapped workers' rehabilitation. Wesley B. Cullipher af Elizabeth City, (seated, right phato) was chosen as the State's autstonding hondicapped warker. Shawn with Cullipher are young students who were hanored by the Governar far their essay's an "How My Community Benefits From the Abilities af Handicapped Workers." Four awards were presented by Gavernar Sanford.

State Honors Outstanding Worker, Employer, Physician

Special ceremonies this spring cited North Carolina's outstanding handicapped worker as the Governor's Committee on Employ the Handicapped convened in the old Senate Chambers in Raleigh.

Wesley B. Cullipher, an accountant for the City Sheet Metal Company in Elizabeth City, was recognized by Governor Sanford as the "outstanding handicapped worker of 1962. Courage and determination are the two great attributes of Wesley Cullipher," the Governor said. A paraplegic from injuries inflicted during WWII, Cullipher "used these attributes in more than 12 years in hospitals to make himself one of the State's most constructive citizens."

Cullipher is a past commander of the VFW, a member of the President's Committee on Employment of the Handicapped and is presently chairman of North Carolina's Veterans Commission.

Dr. Julian E. Jacobs of Charlotte received the Committee's award as the outstanding physician of 1962, "earning this recognition by his medical accomplishments and by his inventive genius in developing orthopedic braces and appliances while serving in practice at Duke Medical Center, in the N. C. Orthopedic Hospital and in his long and useful private practice."

The Star-News Newspaper, Inc., Rye A. Page, publisher, was cited as the outstanding employer of 1962. The Governor said the newspaper is an example of an "employer who hires individuals based upon their qualifications irrespective of their disabilities. This has been the policy of this employer whenever possible to employ the handicapped," Governor Sanford added, "and his firm has for many years supported the employability of handicapped persons."

Chairman of the Governor's Committee on Employment of the Handicapped is William C. Boren, III, of Greensboro. Several senators and representatives from the winners' district were on hand to observe the presentations.

The Committee also announced winning high school students who submitted the best essays on "How My Community Benefits From the Abilities of the Handicapped Workers." First place was taken by Linda Scher of Grimsley High School in Greensboro. Mary Helene Pappas of Wilmington, Barbara Fullerton of Goldsboro, and Elizabeth Allred of Raleigh took second, third, and fourth place awards.

Picture here are just some of the activities of persons engaged in improving the employment opportunities of handicapped workers. Governor Sanford requested 68 mayors throughout North Carolina to appoint a chairman and a committee to be designated as the local Mayor's Committee. During the year approximately 60 of these local committees were active. Later in the year the Governor's Committee dedicated its annual report to the good work of the Mayor's Committees, to local staffs of the Blind Commission, Employment Security Commission offices, vocational counselors, and the thousands of disabled people who sustain the Hire the Handicapped program through their loyalty and interest. Mrs. Mattie Keyes was singled out for her services as budget office of the committee.

The Exeuctive Committee of the Governar's Committee on Employ the Handicap include (L-R, seated) H. A. Wood, Raleigh; Col. Charles Warren, Raleigh; Dr. James Semans, Durham; Henry Belk, Goldsboro; Mrs. Charles Narwaad, Jr., Goldsboro; (L-R, standing) Fronk Crane, Raleigh; R. C. Godwin, Raleigh; John Hatfield, Greensboro; W. C. Boren, Greensboro; Lauie Waadbury, Wilmingtan; Burke Taylor, New Bern; and James Massenburg, Executive Secretary, Raleigh.

STATESVILLE BRICK

(Continued from page 19)

of larger capacity trucks when the great advantage was seen to the customer of delivering brick to the job on trucks and relieving him of the expense and inconvenience of unloading brick from the railroad cars.

The truck deliveries proved so successful that by the early forties the bulk of the brick being used in North Carolina were shipped by truck, with a great improvement in promptness of service, as well as a saving to the consumer. It is possible with the equipment of today for the trucks to mechanically handle two packages of 3,000 brick each and pull a third package on a trailer.

Statesville Brick Company has done its part in leading the face brick manufacturers of North Carolina in textures, as well as colors for face brick and in developing new products which have a very rosy future. We feel this has been a considerable factor in earning for North Carolina the title of "Brick Capital of the Nation."

CHARLOTTE

(Continued from page 28)

Union provides telegraph service. Nine radio stations and three television stations provide excellent coverage and two daily newspapers are published by the Knight Publishing Company.

Exceptional health and recreation facilities are available in the city, and Charlotte is known as the "City of Many Churches." Many civic and professional clubs hold membership in the area and housing is adequate.

Business leaders, public officials, and the Chamber of Commerce are cooperative and actively seeking industry. With 19 industrial parks prepared to accommodate industry, the door is open and the welcome mat extended for new and expanding industries. The "Queen City" is still growing.

WAGE SURVEY

(Continued from page 19)

reported by other companies that its data was omitted from the study.

The wage information contained in the survey was developed by staff members of 20 local offices of the Employment Security Commission. This information was sent to the Bureau of Employment Security Research for tabulation and consolidation. The maximum rates paid by the firms studied in many instances represent earnings paid to superior workers under incentive pay plans. The wage rates contained in the table for "Straight-Time Hourly Pay Rates For Selected Entry Jobs" reflect those wage rates paid to inexperienced employees rather than the wage rates paid to those promoted from within the company. It should also be noted that the wage rates included in the accompanying table do not in any case represent the wage pattern of an individual firm.

COMMENTS

(Continued from page 2)

You are urged to follow closely the work of the Better Business Corporation of North Carolina, reported on page seven by Executive Vice President H. Powell Jenkins. Here is a credit corporation organized to help establish new Tar Heel industry, expand existing industry, and induce new industrialists to come to our State. This group has approved 193 loans totaling over $27,000,000, from "Murhpy to the seacoast," explains Mr. Jenkins.

The activities of the Employment Security Commission continue to be broad in scope. Youth Employment Services are becoming more accentuated and widespread as you will read on page 23, and North Carolina's highway patrolmen take the GATB (page 24). And once again, a manpower survey from the ESC Bureau of Employment Security Research has disclosed a shortage in needed occupations, this time in the hospital and other medicare institutions (page five).

One of the finest men ever to work for the Employment Security Commission retired this year. He is Sam Teague, our original Chief of Benefits (page 41), and two promotions send men from plans, methods, and procedures work to direct the activities of the ESC Claims section.

TESTING

(Continued from page 43)

trial jobs. Many a high school senior will not be able to get a job that he likes after graduation.

But a large part of this problem often lies with the potential worker himself. Many of the youngsters coming out of high schools today want things handed to them on a "silver platter;" however, things just do not work this way. Just about any job or position that a young person can go into today has some sort of a training period involved. Even if the job will develop in such a way as to be one of the better positions available, it doesn't start off that way.

A young person today can accomplish many things, but he must work for them and meet the challenge of really working and facing the problems of a modern world.

TROOPER

(Continued from page 26)

statistically compared to determine their relative efficiency and stability. In the event of equal efficiency and stability, standard, progressive, statistical, and analytical tests are applied to determine the one best combination to be designated as the Specific Aptitude Test Battery.

All data used in the development of this test is then sent to the Bureau of Employment Security in Washington, D. C. where test psychologists analyze both data and technique before approving the test for national use. In approving this test, the Bureau will be authorizing all states to use this Specific Aptitude Test Battery in the selection of highway patrolmen and, in effect, writing "Q.E.D." on the project. The missing links of the conclusion will have been filled in and the Employment Service will have taken another forward step in its effort to serve other state agencies.

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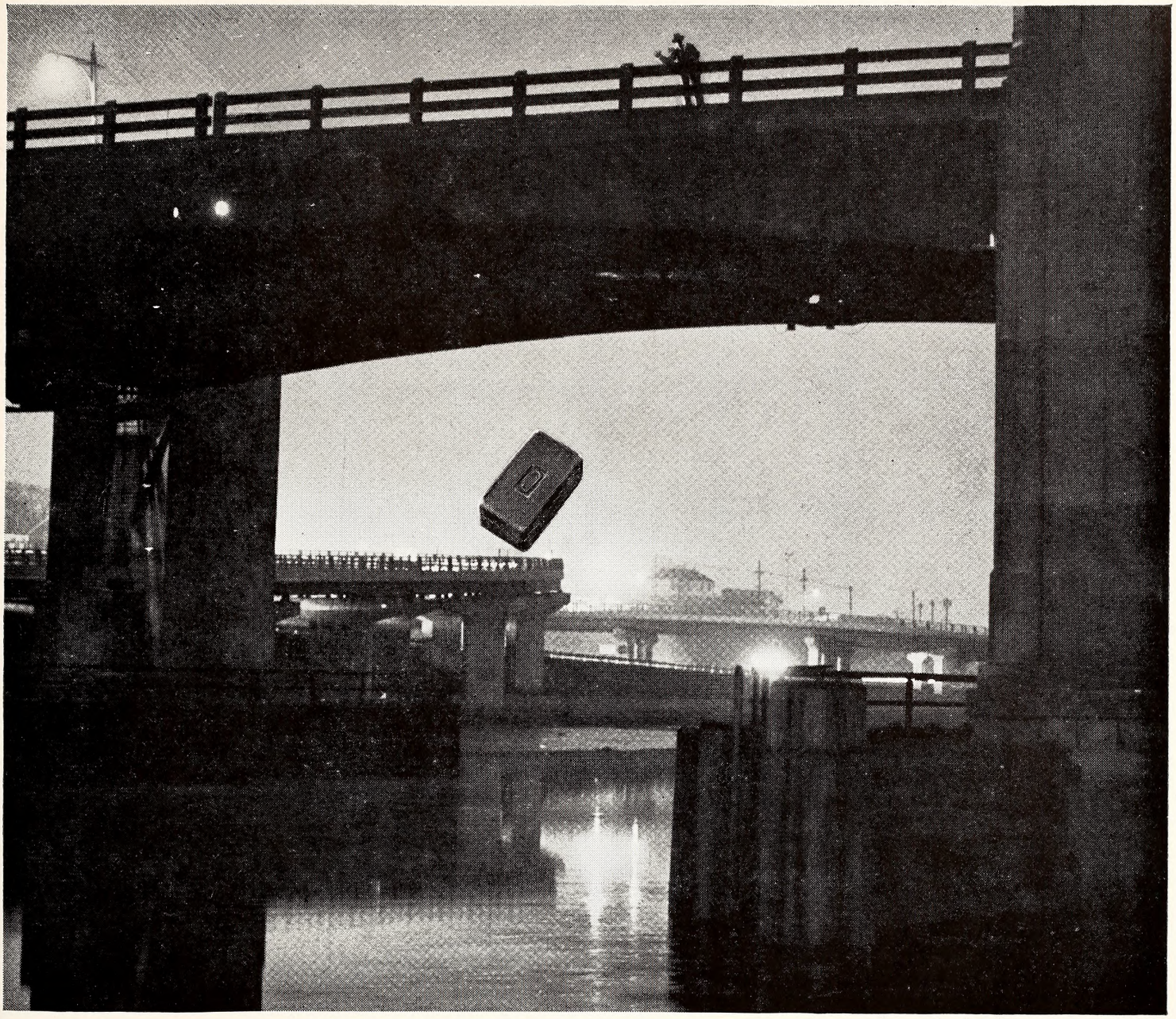

Why the burglar threw the Savings Bonds into the Passaic River

By the time Mrs. Lorraine Klamerus of East Rutherford, New Jersey, realized her Bonds were missing, they'd been lying on the bottom of the Passaic River for days. Still inside her strongbox.

The burglar threw them there after he found out they were worthless to anyone but Mrs. Klamerus.

As it turned out, the burglar was caught. Even if he hadn't been, Mrs. Klamerus wouldn't have been out a penny on her Bonds. For the Treasury Department keeps a microfilm record of every Bond sold, and replaces them at no cost to the owner.

This is just part of the guaranteed safety you get with U.S. Savings Bonds. And part of the reason millions of American families build their own strength and that of the nation this timely way. This strength is especially important now when the enemies of freedom are growing tougher every day.

Start buying Savings Bonds now, and see if you don't feel pretty good about it.

★ ★ ★ ★ ★ ★ ★ ★

Quick facts about U.S. Savings Bonds

- You get $4 for every $3 at maturity
- You can get your money anytime
- Your Bonds are replaced free if lost, destroyed, or stolen
- You can save automatically on Payroll Savings

Help yourself while you help your country

BUY U.S. SAVINGS BONDS

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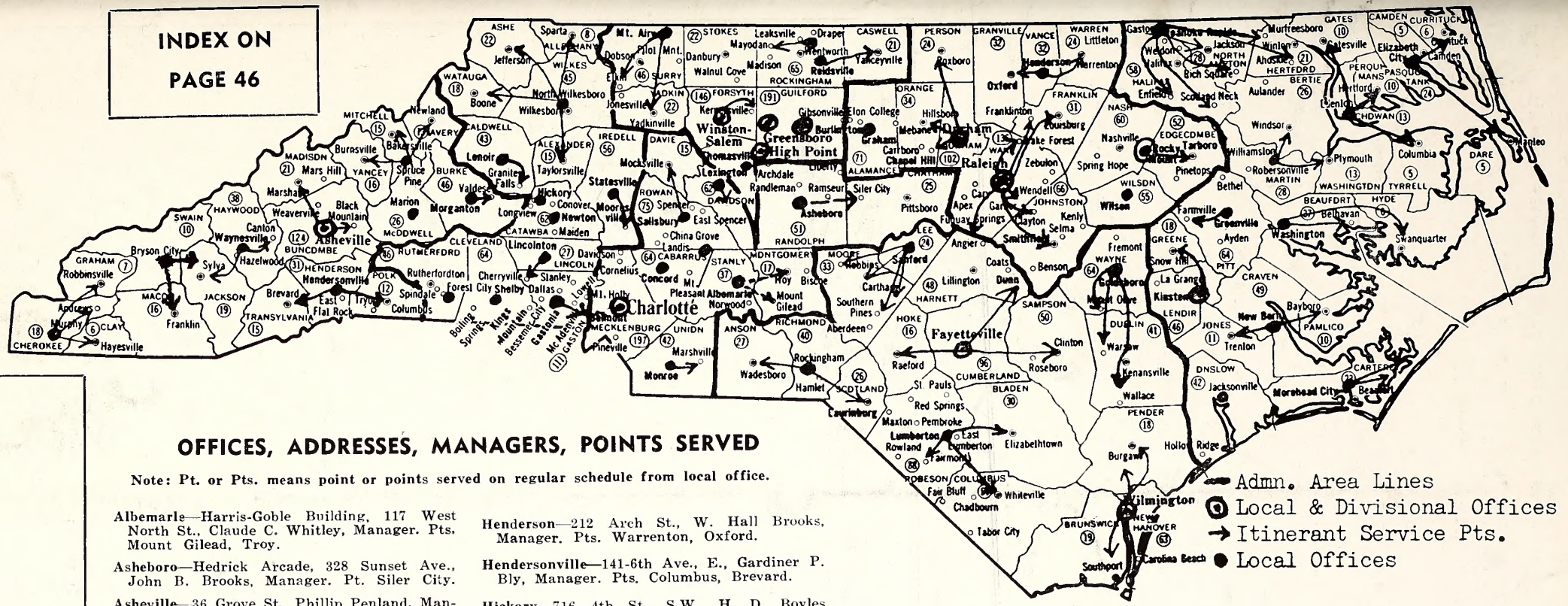

OFFICES, ADDRESSES, MANAGERS, POINTS SERVED

Note: Pt. or Pts. means point or points served on regular schedule from local office.

Albemarle—Harris-Goble Building, 117 West North St., Claude C. Whitley, Manager. Pts. Mount Gilead, Troy.

Asheboro—Hedrick Arcade, 328 Sunset Ave., John B. Brooks, Manager. Pt. Siler City.

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ESC QUARTERLY

VOLUME 21, NO. 3-4

METAL PRODUCTS MANUFACTURING

Published By

N. C. EMPLOYMENT SECURITY COMMISSION

CASWELL BUILDING

RALEIGH, N. C.

KENDALL

CHAIRMAN'S COMMENTS

HENRY E. KENDALL
Chairman
N. C. Employment
Security Commission

The Industrial Classification Manual lists five industry groups within fabricated structural metal products manufacturing: fabricated structural steel; metal doors, sash, frames, molding, and trim; fabricated plate work; sheet metal work; and architectural and miscellaneous metal work.

North Carolina is well represented within all these groups and the general classification of "fabricated structural metal products" is the topic of this issue of the ESC QUARTERLY. In the first quarter of 1963, there were 113 manufacturers in this category reporting wages to the State under our Employment Security Law, employing slightly over 4,000 people. It is quite remarkable that under each of the five classifications of manufacturers in the Tar Heel State, there is almost an identical number within each group. There are 27 manufacturers of fabricated structural steel, 24 makers of metal doors, sash frames, molding, and trim, and 22 manufacturers of fabricated plate work and so on.

Together this metal products manufacturing group paid wages during the first quarter, 1963, in excess of $4,699,000. They contributed over $76,000 to the State in the form of payroll contribution under the unemployment insurance program on their workers earnings for an average tax rate of 1.68 percent, only slightly higher than the State average.

As expected, most of our metal products manufacturers are located in the Charlotte-Greensboro Piedmont section of the State, and they range from nationwide and foreign distribution to the small, one-man operation. In each event, ingenuity and enterprise are reflected in the stories of this North Carolina industry.

Our lead story in this issue of the ESC QUARTERLY was prepared by John F. Henning of the U. S. Department of Labor and is reprinted with the permission of the Bureau of Employment Security. In "An Active Labor Market Policy," Henning says that during the '60's our nation must provide 34.5 million additional jobs to match the demands of population growth and technological changes. Only a comprehensive labor market policy, he believes, can lead America to an era of economic growth and full employment. Henning's article is a reprint of the speech he delivered recently before the annual convention of the International Association of Personnel in Employment Security in Chicago.

On page 36 we have used a story from the EMPLOYMENT SECURITY REVIEW in Washington concerning youth employment problems. Nineteen million young people will seek jobs between 1963 and 1969, an almost overwhelming figure, and the social problems to be experienced by the youth of our nation pinpoint again the responsibility of our federal-state public employment services which must help these young, inexperienced job seekers.

"Negro Employment in North Carolina," on page 42 and the story of "Operation Second Chance" on page 46 underlines the State's efforts to enhance employment

(See COMMENTS, page 57)

The E. S. C. Quarterly

(Formerly The U.C.C. Quarterly)

Volume 22, No. 3-4 Summer-Fall, 1963

This issue of the ESC QUARTERLY is devoted to the metal production industry in North Carolina, a supplement to our Summer-Fall, 1954, edition which highlighted Tar Heel machinery manufacture.

Issued at Raleigh, N. C., by the

EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

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Cover Legend

The striking photograph on our cover was taken by Martin Studios of Greensboro and depicts the intricate metal work involved in stairway construction in the Ralph Price residence in Greensboro. We use the picture as our cover photo for two reasons. It is of very good quality and composition, and it indicates the craftsmanship which can be achieved in metal products manufacture. The Wilkins Company, featured on page 22, produced the metal railings.

The following article is reprinted from the proceedings of the 5th annual convention of the International Association of Personnel in Employment Security. Began in 1913, the organization today lists membership of over 1,000 people engaged in Employment Security work in all states and several foreign countries. The '63 convention was held in mid-summer in Chicago.

The article was the keynote address delivered by John F. Henning who is the U. S. Under Secretary of Labor and the Manpower Administrator, and is printed with the permission of the International Association, headquarters in Frankfort, Kentucky.

AN ACTIVE LABOR MARKET POLICY

BY JOHN F. HENNING, U. S. DEPARTMENT OF LABOR

The Department of Labor is pleased to congratulate the International Association of Personnel in Employment Security on a half century of historic achievement.

As you would know, our Labor Department is also noting its Golden Anniversary in this year of 1963.

A half century ago this nation was moving with hesitant step into a dramatic age of social change. Your association and our department were founded in the closing years of the Progressive Era, a period of American political experience which reached from the turn of the century and the day of Theodore Roosevelt to our entry into the first World War and the day of Woodrow Wilson.

During this period 38 states adopted child labor laws which regulated the age at which children might be employed, their hours of work, and conditions of employment with respect to safety and health.

Twenty-eight states adopted laws protecting women workers, laws which fixed maximum hours of employment and often established minimum rates of pay.

Thirty-five states adopted workmen's compensation laws which required benefit payments and care for victims of industrial accidents.

The Progressive Era then found the states, rather than the federal government, writing the early, significant legislation of workers' protections.

Despite the failure of Washington to meet the precise crisis in labor exploitation, there was vigorous federal action to control the trusts, regulate the railroads and reform the monetary system. The Progressive Era survives as a time of heroic advance. It was the time of Jane Addams and Hull House. It was the time of housing reform and slum clearance. There was the first understanding that the American economy and social processes were not destined to know unbroken, unending success.

The old concepts of a laissez-faire economy were yielding to an awakened sense of social responsibility—the place of government in an industrial society was now being acknowledged.

The beginnings of the employment security system are rooted in the Progressive Era, in the few municipal and state operated agencies which were in truth bureaus of social welfare. These agencies were based more on social compassion than on any recognition of government responsibility for the unemployed.

Historically, a proper regard for the personal virtues of work stamina, perserverance and thrift had fathered the view that the jobless worker was lacking in one or more of these essential virtues and was thus alone responsible for his plight. It was not yet appreciated that America had forever left the handicraft manufacturing days of colonial New England and the frontier society of the West. The age of simplicity had passed.

The reality was that American workers were now participants in a complex industrial order. Employment and levels of living were now being determined by economic forces which individual workers were often unable to understand or control.

The Progressive Era was denied its fullness by the coming of the first World War and the synthetic prosperity of the early 1920's.

However, the great depression forever changed the course of our economic and social history. Franklin Roosevelt renewed the work of reform in 1933. His reformation would touch virtually every phase of economic and social life. Moreover, his reformation would endure. His policies of change were nowhere more evident than in the theater of employment service.

From your efforts, from state and local experience, from commanding national need and from the vision of Franklin Roosevelt, there came the Wagner-Peyser Act of 1933, creating the first permanent national employment service.

The Wagner-Peyser Act called for state cooperation in a federal-state employment system.

The early expansion was spectacular. By 1936, forty-two states were affiliated under the Wagner-Peyser plan and a nationwide system embracing 591 district offices and 811 local employment offices was in operation.

The Social Security Act of 1935 added unemployment insurance to the employment security concept, thus developing the dimensions of the present federal-state program.

The second World War ended a decade of massive unemployment. The crisis was now the scarcity rather than the surplus of available labor.

The postwar years have indicated the increasing importance of our common employment efforts. Disturbingly high unemployment has plagued the economy since 1954. The Korean War interlude of 1950-1953 had merely delayed solution of the unemployment crisis of 1949.

We together face the test of forging an economy that will accommodate the job demands emerging from population growth and technological change.

The U.S. Department of Labor tells that the economy must provide 34½ million new jobs in the 1960's to match the demands of population growth and technological change.

The labor force will realize a net increase of 12½ million through population expansion. This involves an increase of 26 million young workers. Death and the retirement of older workers will determine the 12½ million net figure.

The technological impact will be greater. The Labor Department estimates that the annual rate of productivity increase will be about three per cent throughout the 1960's. This means our ouput per man-hour will jump about three per cent each year. The job displacement statistics become frightening when the three per cent productivity rate is applied to an annual average employment figure of 74 million workers. For the '60's this means the economy must provide 2,200,000 new jobs each year to care for technological progress. The decade demand will be 22 million jobs.

(Continued)

All of this indicates that the nation's well being depends substantially on how well it develops and utilizes its manpower resources. If needed skills are lacking, if job requirements are unfilled or poorly filled, if employment is lagging and manpower potential underutilized, the nation will suffer in varied ways, particularly by the restriction of its economic growth.

Economic growth is necessary at a substantial and sustained rate to provide material improvements in the nation's living standards, to help meet the nation's international responsibilities, and to reinforce the economic strength of the free world. The United States has agreed with other members of the Organization for Economic Cooperation and Development on a common goal of 50 per cent growth in the 1960-70 decade (over four per cent annually).

Manpower policy can both contribute to and benefit from such economic growth. It contributes by developing the quality and adaptability of manpower and by providing the mechanisms needed for effective matching of qualified workers and job requirements. In turn, economic growth helps provide the expansion of employment opportunities needed for an expanding population—and for the goal of making available to all who are willing to work the opportunity for employment at their capability.

Changes in our society are increasing the need for improvement of the nation's manpower programs. These changes are leading—at a faster pace than can be met by traditional policies, institutions and practices of our labor markets—to displacement, underutilization, and waste of manpower and to needs for changed and new skills.

Rapid advances in technology, marked changes in types of product demand and in competitive practices, sizeable geographic shifts in business and industry, and the more rapid growth and changing makeup of the labor force—particularly the enlarging flow of young workers—are the principal changes which are creating manpower adjustment crises beyond the capacity of this country's customary manpower adjustment practices. The customary practices, which themselves are improvements over earlier years, must be adapted further in order to bolster and reinforce the desired economic growth.

An active labor market policy is necessary to provide such improvement. Such a policy would take positive steps to meet the difficulties and needs presented by the changes and increasing complexity of our industrial society. It would seek to overcome the obstacles to maximum development and employment of manpower resources and to the effective functioning of our labor market system. It would seek to give more realistic meaning to the desire for free occupational choice by combatting the barriers and lack of information and opportunity which now too often limit or thwart genuine free choice.

To the degree that we make an active labor market policy succeed, we will aid economic growth and help create an environment in which the benefits of technological advance can be achieved without undue burden to individuals—and in the process contribute to desirable social and human values.

An active labor market policy requires attention and action on a variety of programs, private and public. They can be grouped in three basic categories: (1) It must examine, help to shape and, in turn, operate within the broad economic policies which are major determinants of growth and the attainability of full employment. (2) It must pursue policies and operate programs for making an effective match of available jobs and available workers. (3) It must seek to develop and apply various income-maintenance programs to help meet man-power objectives.

(1) Economic Policies

1. An active labor market policy at once requires (and reinforces) strong economic growth and job expansion. It is most effective and valuable when linked to fiscal, monetary and other economic policies designed to stimulate and support necessary expansion in job opportunities.

It should therefore seek to develop awareness and understanding of the extent to which various economic policies are necessary to achieve full utilization of our manpower potential. It should also assess and provide information on the manpower effects, values and problems of alternative economic policies.

(2) Matching Of Jobs and Workers

2. Manpower supply and demand are brought together through a considerable range of labor market practices. Direct employer and worker contacts, plus activities by educational institutions, various placement organizations, and other private and public institutions all play major roles. Their efficiency is influenced by a great many variables.

Certain obstacles or barriers, however, are particularly apparent as limitations which frequently hamper the effective matching of available jobs and workers.

An active labor market policy focuses on these impediments which prevent or delay the relating of vacant jobs and qualified workers. It involves the following basic needs and activities to meet them:

Information. Lack of adequate information on labor market demand and supply conditions and trends often impedes rapid and productive choice in selection of jobs and workers.

Comprehensive, specific and timely information services can contribute substantially to effective matching of manpower requirements and resources. It should be provided widely to employers seeking workers, workers seeking jobs, and related organizations concerned with the labor market.

Such information should include detail on type of local occupational demand and available skills supply, both on a current and prospective basis. For groups interested in jobs or workers available elsewhere, the information is needed for neighboring or broader regional areas or nationally.

For validity and value, the information should be drawn from, and with the cooperation of, all parts of the employer, labor, and educational communities. It must also be analyzed and presented in an understandable manner suited to the needs of the user.

Guidance and Counseling. Information alone may not offer fully adequate guidance. All information relevant to a particular situation may not be available in a precise package. Individual workers and employers often have difficulty in relating such information to their own needs, interests, or capacities.

Guidance and counseling services are needed to encourage considered evaluation, aid in applying available information to the specific situation, and assist in understanding the implications of alternative decisions.

Guidance and counseling should be initiated at the elementary school level so that suitable education may be developed and dropouts minimized. They should guide youngsters to training and vocations in accord with their aptitudes and with emerging local and national occupational opportunities. And they should be made available all through a person's work life as changes arise to present new questions of occupational choice.

Early warning of change. Lack of time to prepare for major change often intensifies labor market difficul-

". . . prevent or delay the relating of vacant jobs and qualified workers"

ties. Where changes can be anticipated or made known well in advance, an early start can be made on adjustments to reduce disruptive effects.

Employers should be encouraged to cooperate in providing earliest possible notice of substantial layoffs and business shutdowns, expansion or relocations. Steps should be taken well in advance of the change, in collective bargaining, for example, to develop adjustment procedures, including shifts to other jobs, starting of retraining for those to be displaced or added, and provision of various employment services before unemployment actually occurs. Major technological innovations should also be assessed for their likely impact on manpower needs and job content, so that necessary adaptation can be initiated beforehand.

Research. Development of improved labor market programs is hindered by gaps in the understanding of the effects of various labor market practices and of reasons for many manpower imbalances. Major research efforts are necessary to gain increased understanding of the key factors affecting functioning of the labor market and to improve the availability and accuracy of current and projected information on occupational requirements and skill resources.

Education. Available manpower is often not qualified for available jobs because of educational deficiencies. With limited exception, current jobs and increasingly those of the future cannot be filled adequately by workers lacking minimum basic education. Greater and rising educational qualifications are necessary for much of the occupational structure.

Each youngster should therefore be given a thorough, general education as a base for acquiring necessary specific skills. Adults with limited education should be provided at least minimum literacy and related basic education necessary to fill gainful employment opportunities. Beyond this, there should be broadly available the academic, vocational, technical, and college and graduate education programs of types and quality responsive to developing occupational requirements.

Training and retraining. The skills required by the labor market are constantly changing. To the extent that available manpower lacks the requisite new skills, it will remain unemployed and jobs will remain unfilled.

To span the gap between job needs and workers who lack skills or whose skills are outmoded, training and retraining programs are vital. These programs should be geared to the potential of the workers and the need for specific skills in the labor market. In addition to training for unemployed and underemployed workers, training should be encouraged and provided, in private and public programs, to equip employed workers with additional or new skills to meet changing skill demands.

Apprenticeship and skill upgrading. Shortages of high-skill craftsmen can be particularly troublesome to labor market balance and economic growth. To assure the supply and quality of craftsmen required by the economy, apprenticeship programs should be stimulated and supported in sufficient numbers for each craft. The programs should be designed to attract and retain youngsters capable of absorbing apprenticeable skills and their content should be adequate to meet new needs for technical proficiency.

Pre-apprenticeship programs to provide a base for skill development and to serve as entry to full apprenticeship training are also necessary. Similarly, qualified craftsmen should be given additional instruction to upgrade or modernize skills in keeping with new and more demanding requirements of their craft.

Placement. Efforts by individual employers and workers alone are often too little or too late in relating job requirements and worker skills.

Good placement services can speed the filling of jobs, shorten duration of unemployment, and help place workers in jobs utilizing their full capability. Such services, including recruiting, testing, assessing and counseling on the basis of the specific vacancy and specific worker, and referral, should be made available to all workers and employers.

To enlarge the range of choice and improve the likelihood of proper matching, the placement services should draw as wide a selection as possible of employer requests for workers and worker requests for jobs. To aid also in overcoming geographic imbalances in supply and demand, job openings and applicants should be serviced, not only within a local community, but on inter-area and national basis.

Mobility. Unwillingness or inability of workers to move from communities with high unemployment to areas requiring additional manpower limits the effectiveness of labor market adjustment.

To facilitate desirable geographic labor mobility, assistance should be provided through information, placement, relocation aid and other services to workers who would consider moving to jobs in the communities which need their skills.

Discrimination. Available manpower resources and potential are often inadequately developed and employed because of discrimination on grounds of race, age, religion, sex or handicap, with resulting economic and social waste and burden.

Programs to eliminate such discrimination barriers to equal opportunity and to productive contribution should be pursued with the utmost vigor in all employment, education, apprenticeship, and training.

Local employment opportunities. Individual communities often lack sufficient jobs for their work force.

In addition to broad economic policies which stimulate general expansion of job opportunities, a variety of special measures may help open new jobs. The communities should be aided in assessing their resources and planning their own development program, including efforts to stimulate or attract expanding industries or services and to develop new skills needed for such employment.

(3) Income Maintenance

A variety of programs exist to assure continuing or minimum income to workers, including unemployment benefits, public assistance, minimum wage and old-age retirement benefits. They have been developed both as economic instruments for maintaining and stabilizing the economy and as social instruments for assuring reasonable sustenance.

Their coverage, adequacy and eligibility practices have considerable significance for labor market adjustments.

An active labor market policy should seek to improve, supplement, and adapt such programs as a means of maintaining, upgrading and better utilizing potential manpower resources. This involves efforts to encourage those whose income depends on these programs to develop needed skills, abilities and motivation, desirable mobility, and other characteristics needed in the labor market.

Only the synthesis of such a comprehensive labor market policy with requisite fiscal and monetary programs can lead America to an era of economic growth and full employment.

". . . can lead America to an era of economic growth and full employment"

I could not conclude this address without reference to the highly organized assault launched on the federal-state employment service within

(See ACTIVE, page 44)

SBA Streamlines Lending Program

BY ROBERT B. HORNING

Branch Manager, Small Business Administration, Charlotte, N. C.

The Small Business Administration is your federal government's agency for small business concerns. In the establishment of such an agency nearly ten years ago, Congress has recognized that America's more than 4,700,000 small businesses make an indispensable contribution to our national life. They are the source of much of our economic activity and a bulwark of our economic and political freedoms.

It is the policy of Congress, as stated in the Small Business Act, "that the Government should aid, counsel, assist, and protect . . . the interests of small business concerns in order to preserve free competitive enterprise . . . and to maintain and strengthen the overall economy of the nation."

The Small Business Administration is all too often thought of only as a lending agency of the federal government. It's true that this is one of our most important responsibilities. However, there are many other areas of business in which we can be and are of assistance to our fellow businessmen and women.

These additional responsibilities include the promotion of buying from and selling to the federal government; management assistance; foreign trade assistance; production and product assistance; community development; and advisory councils, through whom SBA is able to draw upon for the advice of owners and representatives of small businesses in North Carolina. All this is in addition to our financial program which embraces a wide variety of financial activities such as counseling toward overcoming recognized problems, and finally a loan, direct or otherwise, as deemed most suitable.

Before going into these various programs perhaps it might be best to define "small business." Who is entitled to our services; who can borrow; in what amounts and on what terms; and who can sell to and/or buy from the federal procurement agencies?

Most small, independent businesses, manufacturing, wholesaling, retailing, service, construction and other types, are eligible for SBA loans.

To be considered for a loan, a small business must meet several basic credit requirements. For example, by statute an SBA loan must be "of such sound value or so secured as reasonably to assure repayment." Among other requirements, an applicant must be of good character and must have sufficient capital in the business so that with SBA assistance it will be possible for him to operate on a sound financial basis.

The size standards governing eligibility for SBA loans generally are:

Manufacturing. A business that has no more than 250 employees is considered small; one with more than 1,000 employees is considered large. Between these two breaking points, size standards have been established for specific industries.

Wholesale. A small business if annual sales do not exceed $5 million.

Retail or Service. A small business is one whose annual sales or receipts do not exceed $1 million.

These standards applying to our financial program are of a general nature and the small businessmen should consult our Charlotte branch office for more specific information in case of doubt.

Definition Of Small Business

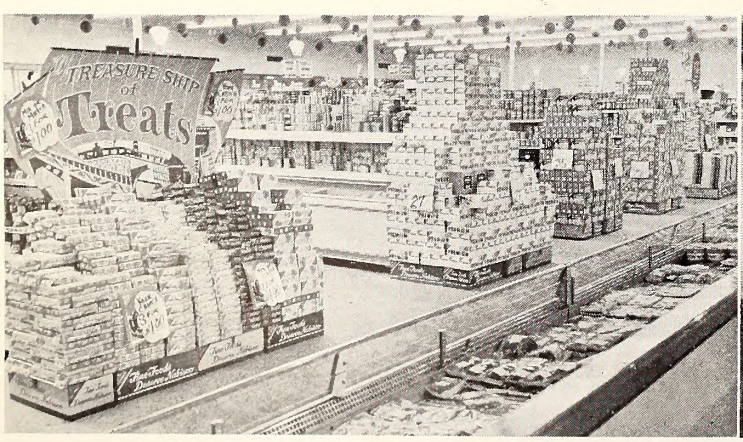
For doing business with the federal government our definition of small business is somewhat less restrictive, i.e., a business under our Procurement and Technical Assistance Program may be considered small if it is individually owned and operated and employs no more than 500 people. On the other hand, it is definitely considered large if it employs more than 1,000 people. Again, in case of any question the issue should be presented to us for clarification.

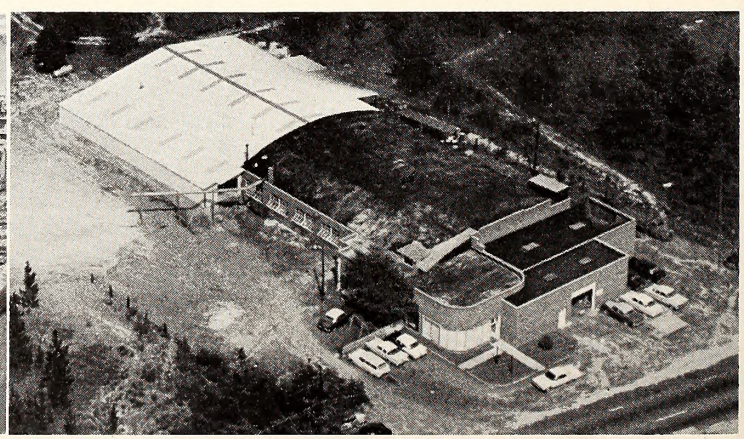
For what purpose do we make business loans? Loans are made for business construction, conversion or expansion, purchase of machinery, equipment, facilities, supplies, or materials and working capital.

A great many SBA business loans are small. Some loans are even under $1,000. However, the agency may lend as much as $350,000 as a direct loan, or as its share of a participation in a loan with a bank.

SBA is not in competition with banks, savings and loan associations, or other private lending institutions. Loans will not be made if credit is otherwise available on reasonable terms. This fact must be determined in each instance.

There are so many different type loans in our Financial Program that it precludes our going into the detail of any specific type loan program. Broadly speaking, there are two basic plans. There is a "direct" plan where





SBA loan to Smathers Super Market (left) for new buildings and equipment replaced extremely cramped, outmoded quarters and, under excellent management, resulted in one of the most modern groceries in western N. C. The William Fetner Company (right) received an SBA loan in 1961 for working capital to finance increasing sales. Since then, employment at the furniture company has doubled and there have been three major expansions. It's one of the major industries in Richmond County. Since created, SBA has made available $47 million to small business in N. C.

no lending institution participates with us, and there is a "participation" plan where a lending institution shares with us. Approximately 75 percent of all business loans made are in participation with banks or other private lending institutions. Special type loans, so to speak, are made for specific purposes such as area redevelopment, or community or local development, where interest perhaps lower than our usual rates are authorized to stimulate the economy of the area concerned.

Under the foregoing business loan program, the SBA in North Carolina has approved accumulatively more than 470 business loans in the aggregate amount of nearly $29,000,000.

Disaster Loan Program

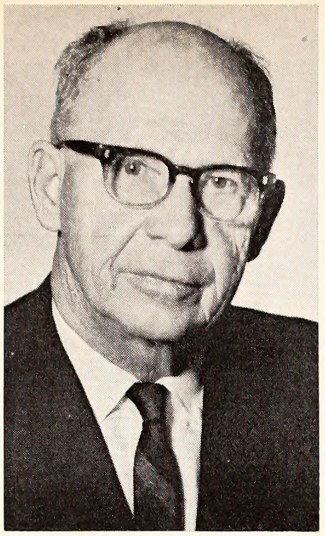
Disaster loans are made in designated disaster areas incident to flood, storm, hurricane and other major disasters. Here, individuals and businesses of any size are eligible for financial assistance at the low interest rate of three percent.

Under this program accumulatively we have made more than 650 loans in the aggregate amount of slightly less than $4,000,000.

Economic injury loans are made to small businesses in drought or excessive rainfall areas at the same interest rate for working capital to replenish normal inventories, etc.

SBA makes displaced small business loans at favorable interest rates to eligible small businesses which have been physically displaced by federally-aided urban renewal projects, highway, or other construction.

SBA makes loans to both state and local development companies for use in assisting specific small businesses. Here again, the SBA may lend up to $350,000 to local development companies for each small business to be assisted, with a maximum loan maturity of 25 years. These loans may be used for plant construction, expansion, modernization, or conversion, including the purchase of land, buildings, equipment and machinery.



HORNING

Local development loans are of especial interest since they frequently provide new jobs in areas of surplus labor. SBA has approved 24 of these loans to date in North Carolina, resulting in approximately 3,272 new jobs with an estimated increase in annual payroll of $8,816,000. These new jobs stimulate all areas of our economy. More homes will be built, more automobiles purchased, more goods and services sold, and all the other benefits which accrue to an expanding economy.

Example In Surry County

An outstanding example of this local development program is the progress which has been made in Surry County. Four firms are completed or being constructed under the auspices of the Mount Airy Development Corporation and the North Surry Development Corporation. These four firms, the Perry Manufacturing Company, Dixie Exposaic, Inc., Holder Brown, Inc., and Quality Mills, Inc., will occupy 162,000 square feet and provide 1,550 jobs. Total amount of loans is almost $1,000,000, all with bank participation, and Surry County is no longer considered a distressed area.

Finally, reference should be made to the Small Business Investment Company program made possible by the SBIC Act of 1958. This act authorized the establishment of privately and publicly owned and operated small business investment companies and delegated to the Small Business Administration the responsibility of licensing, regulating and helping to finance these new organizations. The SBIC program is designed to stimulate and supplement the flow of private equity capital and long-term loans which small businesses need for the sound financing of their operations, growth, expansion and modernization.

State development company loans and SBIC loans and debentures account for an additional $6,000,000 being made available to small business firms in North Carolina.

It may be said that since SBA was created by Congress, nearly $47,000,000 has been made available to North Carolina small business enterprises.

Obtaining Government Contracts

In conjunction with our Procurement and Technical Assistance Program, SBA offers a wide range of assistance to small firms that want to obtain government prime contracts and related subcontracts.

Specialists in SBA field offices counsel small businessmen on prime contracting and subcontracting. They advise them which government agencies are prospective customers for their products and services, guide them in obtaining listing on bidders lists, help them obtain drawings and specifications for specific contracts, and assist in other ways.

SBA representatives and purchasing officials of major military and civilian buying offices jointly review proposed purchases to determine which can be "set aside," and restricted to bids from small businesses.

Under this set-aside program, and in cooperation with federal procurement agencies, almost $140,000,000 in contracts have been awarded North Carolina small business concerns during fiscal year 1963. This represents a healthy contribution to our North Carolina economy.

The SBA "facilities inventory" is a register of small manufacturers, service firms, and construction contracts. The register is used to locate small firms that are interested in bidding on contracts, to find additional suppliers at the request of government agencies, and to locate small firms which have special skills and equipment. It can be of extreme importance to our military forces in case of a national emergency.

In cooperation with local business groups and other government agencies, SBA holds contract opportunity meetings for small concerns interested in prime contracts or subcontracts.

When a government contracting of-

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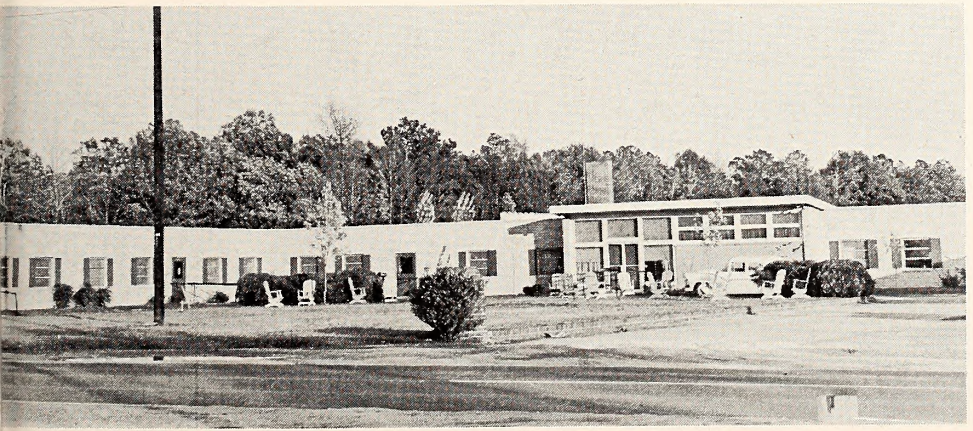
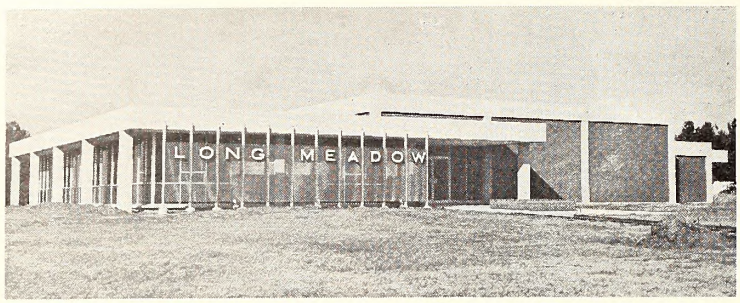


An SBA loan to remodel and equip a small motel provided an urgently needed facility with professional care for the aged, and more than 25 jobs in a rural, labor surplus area. Capacity was full after the first year of operation, and plans are underway for a new wing.

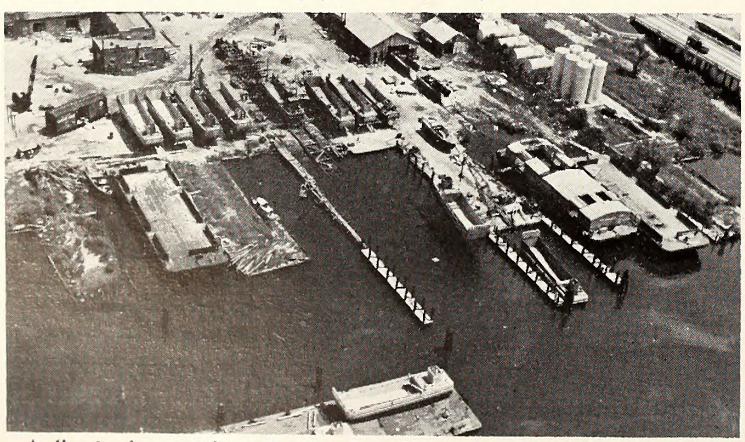
ficer doubts that a low bidding small firm has the productive or financial resources to carry out the particular contract, he informs SBA. The SBA, in turn, contacts the small firm to ask if he wishes to apply for a "Certificate of Competency," an SBA certification that the firm is able to meet the contract requirements if investigations confirm his claims.



Long Meadow Dairies of Durham obtained a milk small business set aside contract for supply of a large military base.

An SBA disaster loan after a 1962 storm on the coast was used to repair the grocery building and rental cottages, and replace flooded equipment, inventory and other facilities of the Anderson Super Market.

With the proceeds of a disaster loan, extensive damage to the Sea Oatel Motel of Nags Head during the 1962 storm was repaired, and funds from other sources were used for improvements which resulted in one of the finest and most popular vacation spots on the outer banks.



A disaster loan made to the New Bern Shipyard in 1958 was paid before maturity. Largely as a result of contracts under the joint set aside program, this business has grown from 10 workers to as many as 150 skilled employees. A set aside contract is awarded for military supply.

SBA Offers Varied Services

Staff specialists in the SBA field offices counsel small businessmen on specific management problems in response to letters, telephone calls, and personal visits. They also advise and assist prospective small businessmen who are seeking information on management or on specific types of business enterprises.

The SBA helps to broaden and strengthen small business management skills by co-sponsoring administrative management courses with public and private educational institutions. These evening courses are designed for the owners and managers of small firms and deal with planning, organizing, directing, co-ordinating and controlling, as distinguished from day-to-day operating activities.

As a complement to the administrative management courses, SBA co-sponsors one-day conferences for small businessmen. These conferences relate to typical management subjects and current problems. The latest conference in this program is the Tax Management Conference for Small Business held November 19th at Wake Forest College in cooperation with the Internal Revenue Service. The conferences feature outstanding speakers, panel discussions and workshop sessions.

The SBA publishes a wide range of management and technical publications of value to established or prospective operators of small businesses. These are extremely well written. They include several series of publications obtainable free from SBA offices and several series which can be purchased for a small charge from the Government Printing Office, Washington 25, D. C.

Frequently we hear the statement, "An SBA loan may be the answer, but the red tape is voluminous," etc. We are now delighted to say that on November 14th our Administrator, Eugene P. Foley, announced a "streamlining" of SBA's lending programs to speed the handling of loans to small businesses. These new procedures have been thoroughly tested in a pilot operation with the result that the time for receipt of a loan application to disbursement of funds will be reduced nearly one-third with no weakening of the soundness of our lending programs.

The Small Business Administration has grown to be an important element in the continuing improvement of North Carolina's economy.

Any inquiry concerning the SBA should be addressed to the Small Business Administration, 301 Cutter Building, 201 South Tryon St., Charlotte, N. C.

SACO-LOWELL SHOPS

A SUBSIDIARY OF MAREMONT CORPORATION

Greenville, South Carolina

BY ED L. GRADY, *Personnel Assistant*

Saco-Lowell Shops came to Sanford, North Carolina, in 1948, a move necessitated by post-war diversification which made plant expansion mandatory. When the assets of the Edwards Company of Sanford were purchased by Saco-Lowell there were less than 100 employees in the 84,000 square-foot plant. Through the years there has been a constant expansion of facilities, and Saco-Lowell now has plants in Sanford and joining Jonesboro which occupy a total of 300,000 square feet of floor space. Seven hundred employees work in Saco-Lowell Shops' Sanford Division which has some of the most versatile manufacturing facilities in the southeast. Complete facilities are provided for manufacture of the finest textile machinery, ordnance material, and other precision items.

Production of combers for the textile industry began in 1948 in the Sanford plant. The following year Saco-Lowell began producing lap winders, continuous card strippers and sliver testers at the new installation. By 1950 it was deemed advisable to transfer the manufacture of drawing frames to the Sanford plant, and this division now produces a variety of textile machinery, including lap winders, drawing frames, combers, sliver testers, coilers, openers, pickers, dryers, waste machines, condensers, lap meters, and filters. In addition, the two plants have often supplied missile and radar equipment for national defense projects.

Saco-Lowell's gear shop began operations in Sanford in the fall of 1958 in a building constructed specifically for that purpose. With more than a century of experience in gear design and manufacture as a foundation, Saco-Lowell now continues its leadership in production of superior quality gears. Its new shop is capable of producing 80,000 precision spur, helical and bevel gears a month from bar stock, castings or forgings. The shop is completely equipped with turning, drilling, broaching, shaping, bevel gear generating, shaving and grinding equipment.

In 1958 Saco-Lowell's extensive Metal Fabrication Department began operating in a 100,000 square-foot building in Jonesboro Heights, a community adjacent to Sanford. The opening and picking assembly line, with sub-assembly of their various components, is also located in this building. The opening and picking line includes vertical openers, condensers, feeders, waste machines, automatic feed, lap meters, filters, pickers. The function of the opening and picking machinery in a factory is to fluff up and clean the raw cotton taken directly from the compressed bale. The picker forms the fibers into the first uniform lap ready for processing through the carding machine. Saco-Lowell's opening and picking line, to a great extent, is custom-made to meet individual mill specifications.

The Jonesboro plant also houses the dryer and card assembly areas. The Saco-Lowell Dryer consists of a series of cylindrical, perforated, revolving drums which serve as drying chambers. This dryer will handle material from cans, balls, tops, even loose material in fleece, hanks, slubbing, sliver, or yarn. The material is held to the drum by drawing the air from outside to inside, thus passing through the material and not around it. By this suction method, the material fed in at one end automatically threads and delivers itself through the machines without manual assistance. Requiring one-third less floor space than other dryers, it will evaporate three times the quantity of water per square foot of drying surface over any other type dryer.

The Saco-Lowell revolving flat card produces from picker laps a card sliver possessing necessary qualifications to assure the manufacture of a yarn that has strength, sheen, and uniformity. To obtain such a yarn, the card removes neps, leaves, seeds, motes, and other defects without loss of fiber strength.

In the Sanford plant are assembled combers, drawing frames, coilers, and lap winders. Saco-Lowell's comber consists of approximately 3,000 parts, 85 percent manufactured in Saco-Lowell's shops. The comber has shafts up to 12 feet in length which are held in relation to bearings to within .002 inches. The comber is equipped with a Bijur Automatic Lubricating System, lubricating 228 various bearings every 120 minutes.

The function of the comber is to extract the short length staple from the sliver, and it can be set to take out various percentages of this staple depending upon mill specifications.

Adjacent to the comber assembly area is the drawing frame section. Saco-Lowell's latest development in

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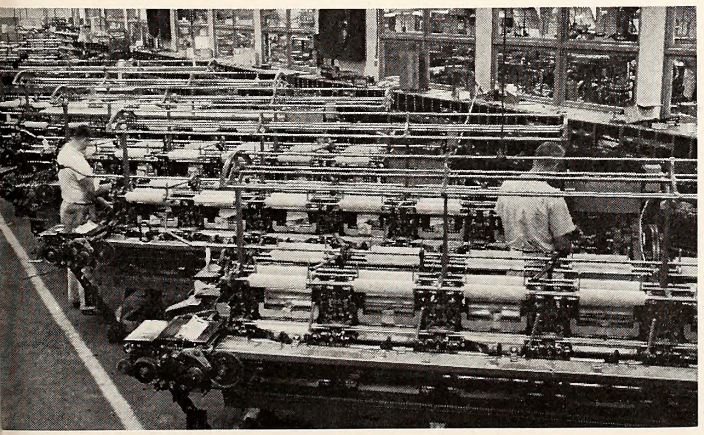
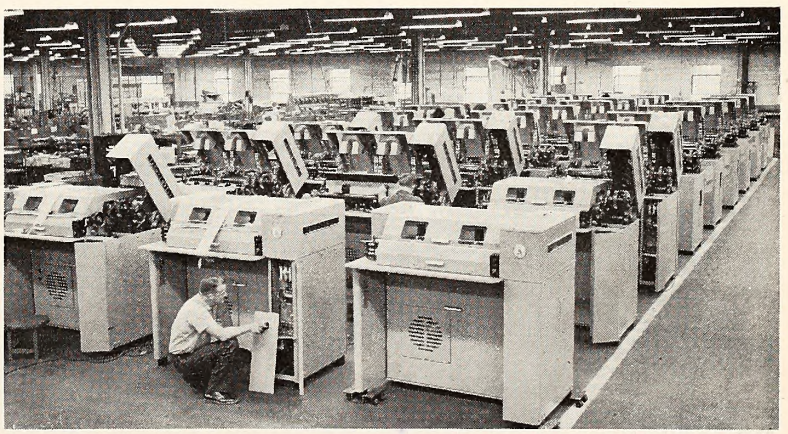
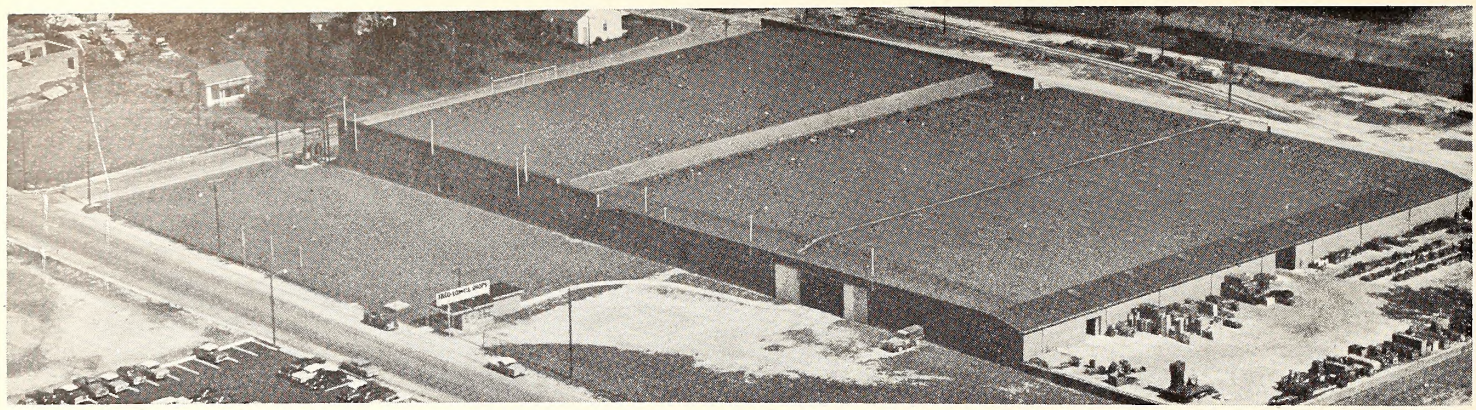


Saco-Lowell combers receive finol odjustments on the ossembly line before shipment to oll ports of the world. The machine has opproximotely 3,000 ports, 85 percent mode by Soco-Lowell.



Here, Verso-Matic drawing fromes are checked ond odjusted on the ossembly line before shipment. This unit hos 1500 ports, most of them mode by Soco-Lowell ond is the compony's lotest frome development.



SACO-LOWELL MAINTAINS A PLANT IN SANFORD (below) AND ANOTHER IN JONESBORO. TOGETHER THEY INCLUDE 300,000 SQUARE FEET.

drawing frames is the Versa-Matic, with a total of 1,500 components, most of them manufactured by Saco-Lowell. To provide the various models of the Versa-Matic, two or four deliveries, etc., more than 6,000 different parts must be stocked.

Departmental View

Manufacturing operations begin at the Manufacturing Engineering Department at Saco-Lowell, for here are coordinated all plant activities. Operational sequences are determined in this department for all the machine work. Here are devised all new jigs and fixtures to hold work during machining; here are determined the types of cutting tools to be used, what chuck jaws are to be used for holding work, and it is here that punch and die specifications are drawn up. Data for machining operation of all automatic machines are prepared in Manufacturing Engineering.

The Production Control Department at Saco-Lowell Shops is of paramount importance in the manufacturing operation. This department supervises rough and finished stores, receiving, steel stores, traffic, shipping, and expediting. It places over 4,000 work orders a month and its Kardex system records the progress of some 40,000 parts in process. More than 30,000 reports are handled annually covering materials and parts coming into the shop. Finished stores maintains an inventory of more than six million pieces of machined and finished parts which are used in assembly, erection and service orders.

Into the Steel Stores Department flow ten million pounds of steel per year in a variety of shapes and sizes, including rounds, hexagons, squares, flats and sheets. More than five million pounds of iron and steel castings and forgings, in 5,000 shapes and sizes, are used each year.

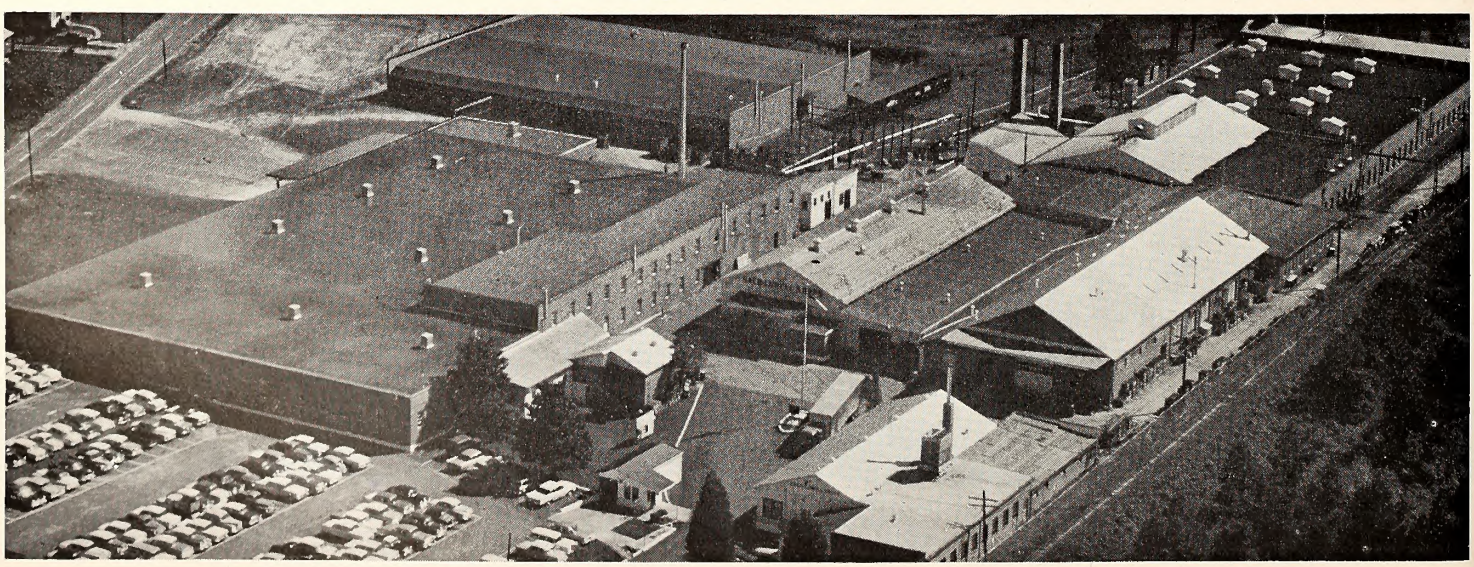
In Saco-Lowell's Plating Department are complete facilities to plate cadmium, chrome, nickel, copper and zinc plating, as well as other surface protection treatments such as black oxide, anodizing, and bonderizing.

The Painting Department, adjacent to Plating, is equipped to do all types of brush, spray and dip painting, and has facilities for baking and drying of various types of painted surfaces.

The Heat Treat Department is equipped with 17 electronically controlled furnaces which can handle all types of alloy steels up to four feet in length. These federally certified furnaces enable Saco-Lowell to heat treat metals to rigid government specifications and to its own exacting standards. As an example of the complexity of heat treatment procedures, one type of gear goes through seven different operations in Saco-Lowell's heat treat department. Some of the complex equipment in this department includes: Lepel 20 KW Induction Hardener; L & N Homo-Carb Furnace; 48" Swingtable Wheelabrator; Ajac Neutral Salt Bath Furnace; annealing, normalizing and stress relieving furnaces; three tool steel hardening furnaces; and three Rockwell Hardness testers. The Lindberg Line is equipped with a clean hardening furnace with atmosphere control for carburizing, carbonitriding, and neutral hardening, preceded by a degreasing tank.

The General Machining Departments contain turning equipment including chucking and bar stock, turret lathes, and engine lathes, plus a number of automatic machines. A Pratt & Whitney Tape-O-Matic drill press performs drilling operations and changes table position and drill feed automatically in response to instructions received from a punched tape which is prepared in Manufacturing Engineering. Two Jones & Lamson Automatic Turret Lathes, one chuck and one bar stock, are hydraulically operated and can perform up to eight individual operations automatically from instructions delivered from a pre-set keyboard.

In General Machining is boremetic equipment, consisting of two- and four-spindle machines; the drilling and milling equipment includes a Precision Manau-trol Spacer, a Lucas Boring Mill and an Ingersoll Miller.



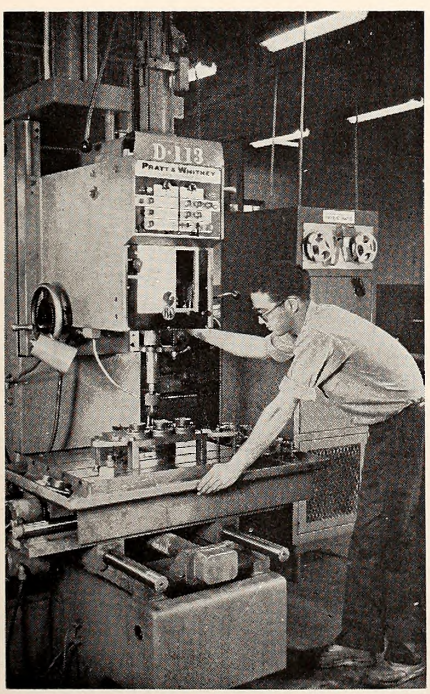
Metal Fabrication is equipped with shears, press brakes, nibblers, punch presses, and other cutting machines. The oxygraph machine will cut up to four inches of steel plate. The three press brakes are of 90, 120, and 325-ton capacities. The 325-ton brake can handle sheet steel up to one-half-inch in thickness. The largest shears will accommodate up to 10-gauge sheets 10 feet long. Another shears has a capacity up to one-half inch in thickness by 12 feet long.

Most large-scale welding is done in Metal Fabrication, and includes Heli-Arc, Electric Arc, and Acetylene. All types of materials, including magnesium, and aluminum, are welded in this department.

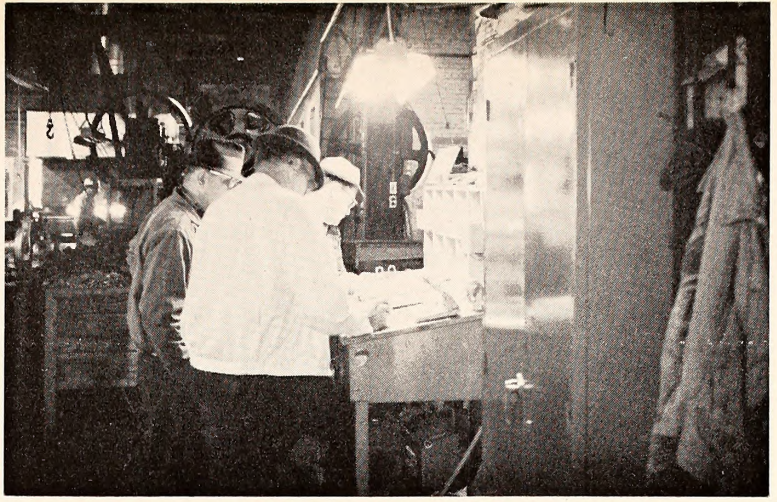
Quality control at Saco-Lowell is stressed in each operation. A gear laboratory, part of the Quality Control Department, is maintained adjacent to the gear shop. It is equipped with the finest gear-checking equipment available, and includes: Brown & Sharpe Gear Tester; Gleason Bevel Gear Tester; Fellows 12M Involute Measuring Instrument; Fellows 12H Lead Measuring Instrument; and a Fellows #12 Center Cone, Spacing, Taper and Composite Inspection Instrument; and a Fellows #20 Red Liner Instrument. Involute, Lead, and Red Liner machines are equipped with electric recording devices.

The tool room consists of a tool grinding section which handles all small tools and cutters used throughout the general machine areas, and it produces all tools, jigs and fixtures necessary for the manufacturing program. Two Pratt & Whitney j'g borers in this area are used exten-

(See SACO-LOWELL, page 20)



This drill press at Soco-Lowell operotes automoticolly according to instructions from o punched tope prepored by the compony.



Officiols of the Council Tool Compony check production figures ot the B'oden County plont. The Compony reports that it is the only producer of novol stores tools in the United Stotes. Employing obout 50 persons, the Compony distributes its products throughout the South ond eostern stotes.

THE COUNCIL TOOL COMPANY INC.

Fine edge tools since 1886

Mr. John Pickett Council established the Council Tool Company in 1886. Its original location was at Council, N. C., in Bladen County, and on the SAL Railroad which connects Wilmington and Hamlet. From his own experience as naval stores producer Council had found there was much room for improvement in quality and availability of turpentine tools. From his brother, Mr. Jimmy Council, McRae, Ga., also a naval stores producer, he learned the same situation existed there. After numerous visits to Georgia and much local experimenting, certain basic designs and processes were developed which were incorporated into the turpentine tool manufacturing operation at its beginning.

Within a few years the company established its reputation as a producer of quality tools, its markets were rapidly expanded throughout the entire naval stores industry which was active in eastern North Carolina and South Carolina, southern Georgia and parts of Florida. In fact in years to come the company was to become the sole producer of naval store tools in the United States, a condition which still exists.

In 1907, Council moved his home and plant to Lake Waccamaw, 35 miles west of Wilmington on the ACL Railroad line which connects Florence and Wilmington. Mr. Council's stated reason for moving was that the naval stores industry was slowly moving south and leaving southeastern N. C., and tool deliveries to his customers throughout S. C., Ga., and Fla. would be expedited due to faster freight connections since shipments could move directly south on ACL and not have to be shipped into Wilmington by Seaboard, then south by ACL.

It should be stated that Mr. J. P. was an avid hunter and fisherman and the fact that Lake Waccamaw was a sportsman's paradise influenced his decision to move in no way whatsoever!

At the time, Lake Waccamaw was very sparsely settled and for the convenience of the Company and its employees a post office named Wananish was established within the town of Lake Waccamaw and this remains the company's mailing address today.

From 1907 until the late '20's the company's production was confined exclusively to naval store or turpentine tool production. Its products consisted of hacks, pullers, scrapers, dippers, tongs and various types of special axes used to produce the box or cavity in the tree and to hang the necessary cups and gutters which collected the crude gum. Hacks and pullers were used to produce the wound or streak on the tree which caused the gum flow, the scrapers were used periodically to remove the accumulated gum from the face of the tree, and dippers were used to transfer the gum from the cups into a dip barrel. The manufacturing process consisted of forging, grinding, heat-treatment, polishing and painting. The forging was a combination of manual or blacksmith work, along with some work in very small presses or hammers.

Upon the death of J. P. Council in 1929, two of his sons, who were active in the business, assumed operation. K. Clyde Council was named President of the Company and John M. Council, Sr. its Vice President.

The present line of edge tools had its beginning in the expanded manufacturing operations which began at this time. Within a few years manu-

facturing operations included two patterns of single bit axes, six patterns of bush hooks, ditch bank blades and several sizes of eye hoes. Worthy of note is the fact that Council Tool Company developed and introduced on the American market the double edge, axe-eye bush hook which it still manufactures in two numbers. Also developed and introduced were a line of hand forest fire fighting and planting tools. This group consisted of a fire rake, used for establishing temporary fire lines, a fire swatter used to control brush fires, and two types of planting irons used to hand plant pine seedlings.

As was generally true, most of the Company's production was controlled by the War Production Board during World War II. Various types of edge tools were produced for all branches of the armed forces, with very limited production going to the domestic market. In addition to tool production, many thousands of forgings were produced for ship yards.

K. Clyde Council died in 1951. John M. Council, Sr., was named President of the Company and J. M. Council, Jr., Vice President.

During the early 1950's the Company's product line was diversified further with the addition of a short line of steel goods, i.e. hoes, rakes, weed cutters, etc., and additional edge tools such as post-hole diggers, other axe patterns and weights, and a heavy duty weed cutter known as a weedax.

John Council died in 1962 and again two sons, active in the business, assumed management. J. M. Council, Jr., became President and E. L. Council, Vice President.

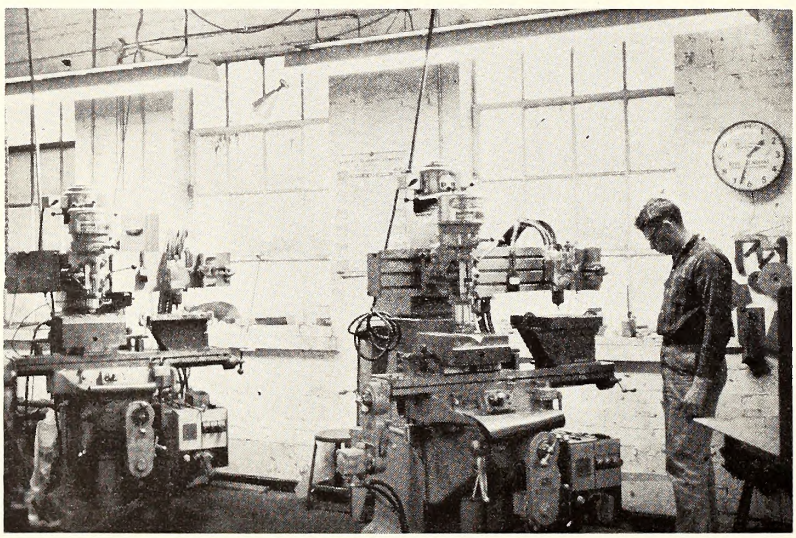
Concurrent with the addition and expansion of product lines, the Company initiated a modernization program which is just now being completed. All forging and pressing equipment was replaced with new and heavier equipment, additional hammers were added, and all tool and die-sinking equipment was replaced.

Today the Company is a relatively small but well-equipped forge shop. It has approximately 50 employees. It operates several 2,000-pound drop hammers, a heavy forging press for axes, trimming presses up to 135 tons, and OBI presses ranging from 50 to 135 tons. It operates several Bradley hammers which are used in certain forging operations for rough forming or drawing of stock prior to drop forging.

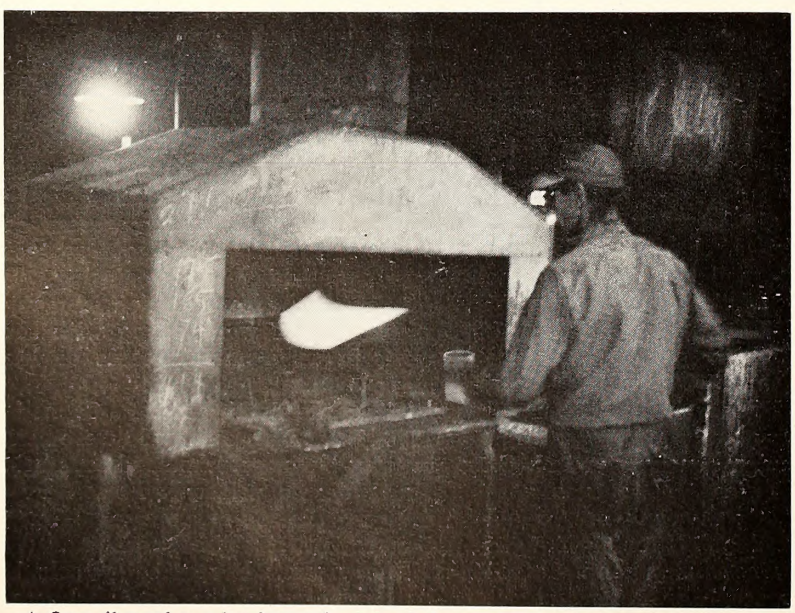
The manufacturing sequence used on axes is interesting and somewhat typical of the general product flow. In axe production the multiple or blank is hot sheared from a suitable size bar to weight, allowing for scrap and grinding losses which will occur during manufacture. The multiple is then heated to 2250 degrees, the blade is hot pressed and the eye is pierced. The bit is heated and forged to length in a Bradley Hammer. Next the entire axe is heated to 2250 degrees, a mandril or forming tool, which is the finished handle size, is forced into the eye of the axe and the entire axe is drop-forged in a 2,000-pound hammer, after which the mandril is removed, completing the forging operation.

Next the flashing around the axe forging is ground off, an operation called scribing. The axe is rough ground over its entire side area, the bit being brought to an edge. After being polished over a 60 grit abrasive belt, 1½" of the bit is heated in a lead-pot to 1450 degrees F, quenched in brine, and tempered in molten salt. After another polishing operation which removes the very light heat treat scale and discoloration, the axe is painted, sharpened, the handle is driven, and it is packaged four per carton. The Company does not produce any handles but buys its entire supply of handles from handle manufacturers, the handles being received in a finished condition gauged and ready to drive.

The Company markets all of its tools under the *COUNCIL* name and has two copyrighted grades of axes, "Railsplitter" and "Velvicut." "Weedax" also is copyrighted. In addition to tool production, the Company produces many drop forgings for customers in the Carolinas and Virginia. Distribution on edge tools is through wholesale hardware jobbers and mill supply houses in the southern and eastern United States. Forestry tools are sold over practically the entire country.



Forge dies at Council Tool Company are duplicated from a master. A recent modernization program replaced all forging and pressing equipment with new and heavier machinery. All Council tool-and-die equipment was also replaced.



A Council employee hardens a bush hook from a lead pot. Forestry tools manufactured at the Council company are sold over practically the entire United States. The company developed and introduced the axe-eye bush hook.

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Ex-Cell-O Corporation

By William H. Morgan, *Personnel Manager*

Ex-Cell-O Corporation, with corporate headquarters in Detroit, Michigan, was founded July 10, 1919. From a small manufacturing operation, occupying the second floor of a two-story building in Detroit, Ex-Cell-O has grown to an internationally-known Company having sales, service, engineering and manufacturing facilities throughout the United States, as well as subsidiary companies in the United States and several foreign countries.

Basically, Ex-Cell-O is a durable goods manufacturer. We design and manufacture machine tools, precision products and cutting tools for over thirty of the world's leading industries. We are among the leaders in the fields of automation, electro-mechanical products, and our Pure-Pak milk packaging machines are in daily operation in all 50 states, as well as in many foreign countries.

Since 1919, our precision workmanship and our insistence on quality has resulted in the Ex-Cell-O trademark becoming inseparably associated with the concept of precision in the metalworking industry. Ex-Cell-O has continued to specialize in precision products and services as its facilities and products line has expanded. Now Ex-Cell-O has approximately 2.7 million square feet of area in plants throughout the United States, Canada, England, Germany and India.

The Black Mountain, North Carolina, Ex-Cell-O Division was opened on June 1, 1957, with a total of 14 employees. With the advent of Ex-Cell-O Corporation to western North Carolina came a trend toward diversification of manufacture in the Black Mountain-Swannanoa area.

Today, we have 140 employees involved in production, engineering, sales, clerical, maintenance and professional endeavors in a physical plant of approximately 30,000 square feet. Our average annual payroll totaled more than $600,000 for the 1963 fiscal year.

Our Black Mountain plant boasts the distinction of being the most diversified in manufacturing capabilities of any plant in our division by virtue of being a miscellaneous machine shop installation. Our basic production objective is the manufacture of precision machine parts for numerous outside customers as well as other divisions of the corporation throughout the United States. From our location in western North Carolina, we can better serve the needs of our customers in the southeast.

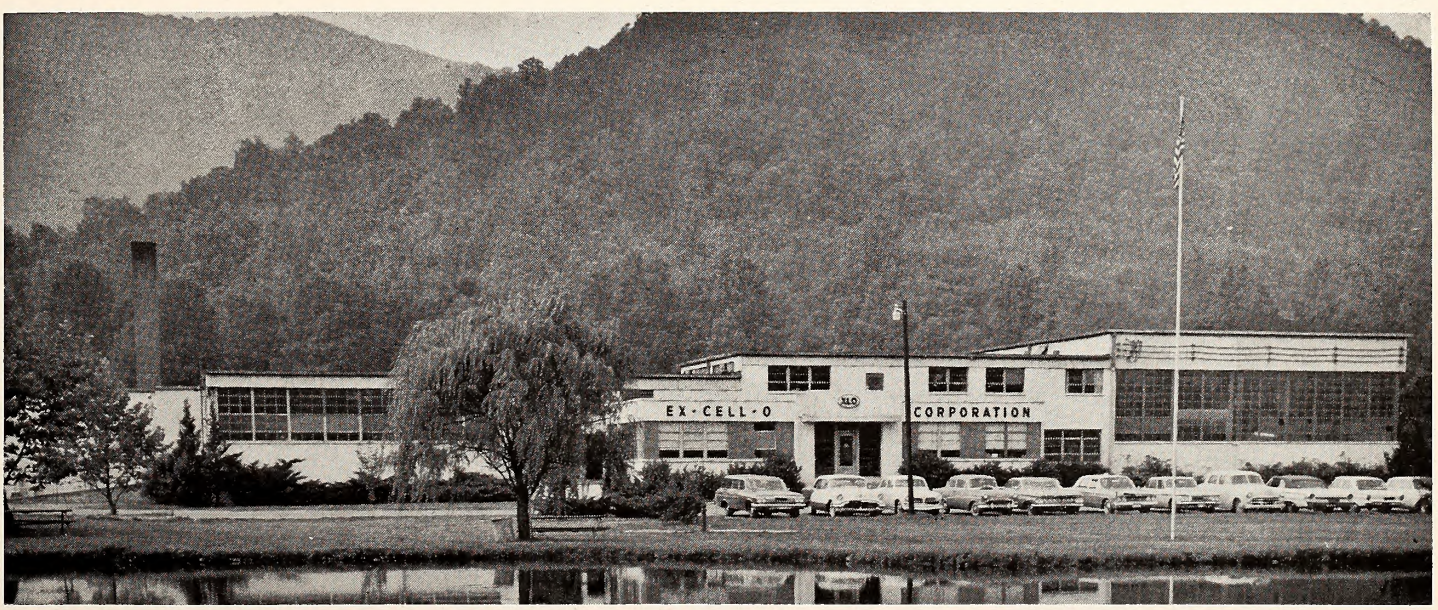
Proposed future plant expansion and a continuing excellent business outlook makes the future look bright for the Black Mountain Division. If our expansion program develops, as we have planned, we will be able to give more employment opportunities to the people of western North Carolina.

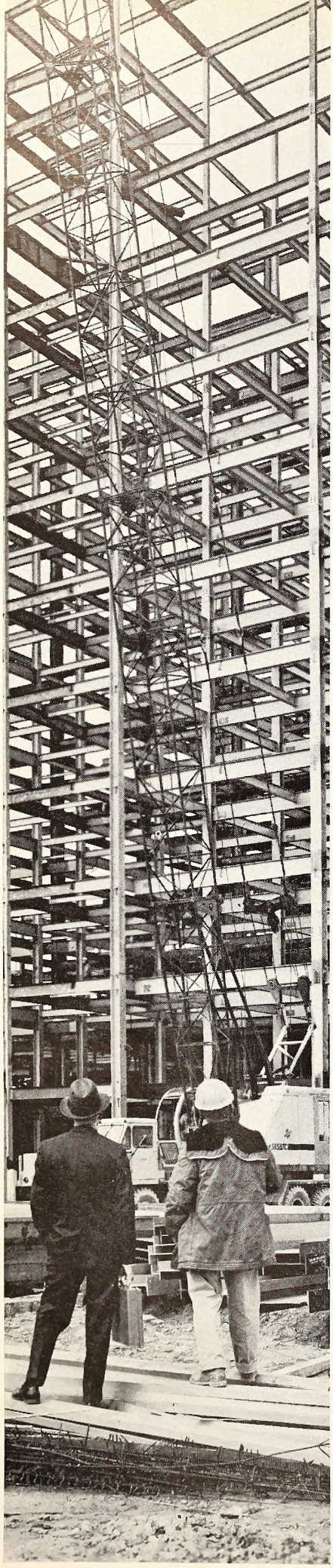
Heart of any industry is its employees, and Ex-Cell-O's management in 1958 quickly recognized the shortage and need for experienced machinists in western North Carolina. By using foresight gained from past experience, a machine shop training program was instituted in the Black Mountain plant, which attracted young men from the area who had completed their high school work and had a high mechanical aptitude. Through tests and evaluation, the most promising candidates were selected to embark upon the task of learning a new and profitable trade —that of metal working.

Through the use of classroom technical instruction by plant supervisors and the Industrial Education Center and valuable on-the-job training, the trainees were able to quickly learn the fundamentals of machine shop practice. A total of 27 men have completed our 12 to 15-month training program and are proving themselves very valuable to the company while they are improving their economic status through the use of their newly acquired skills.

The success and growth achieved by Ex-Cell-O over the past years has been attributed in a large measure to our constant search for new and improved products through an extensive research and development program.

As a result of this program, our total employment, both hourly and salaried personnel, has grown rapidly, and as we continue to develop new products and expand our operations, we may surely expect that the resultant growth of the Ex-Cell-O Corporation will cause increasing opportunities for our employees.





CAROLINA STEEL
CORPORATION

Greensboro, North Carolina

The development of steel in the 19th century marked the beginning of a new era for industry and construction in America. Steel was economic, relatively light in weight, predictably strong. No longer bound by static materials of the past, builders now reached up to create giant skyscrapers, and out to bridge heretofore impossible reaches over land and water. Styles and shapes of buildings changed, and out of an increasing awareness of steel's almost limitless potential in building, a new industry was born—the steel fabricating industry.

The Twentieth Century was well under way, however, when World War I placed dramatic emphasis on the shortage of fabricating facilities in North Carolina. In Greensboro, a small group of enterprising citizens correctly interpreted the signs pointing to large-scale growth in the Piedmont area and in 1919, organized the Carolina Steel and Iron Company, fabricators of structural steel.

As it was originally organized, there were thirteen stockholders, all local. The officers and board of directors consisted of W. C. Boren, president; W. B. Truitt, vice president; J. W. McLennan, secretary and treasurer; and A. R. Lewis, director. The group purchased the steel department of a local machinery firm located on Lewis Street in Greensboro, and started work with nine employees.

In 1921, the Board authorized the purchase of the corporation's present site on South Elm Street—at that time, well outside the city limits. By 1929 the company was fabricating some 7,000 tons of steel per year, and its staff had grown to 82.

By the time World War II began, Carolina Steel and Iron Company's employment had risen to 125 persons and its capacity to 10,000 tons per year. During the War, in addition to fabricating structural steel for war plants and government agency buildings, the plant produced bows for landing craft, deck structures for destroyer escorts, deck and stack structures for Liberty ships, gun mounts, and portable barges. For its contribution to the nation's war effort, Carolina Steel and Iron Company received the Army-Navy "E" Award for excellence, one of three given to industrial firms in Greensboro. The award was made on company premises on May 30, 1945. It was a proud day, indeed, for the company, its employees and their families.

In 1949 Carolina Steel and Iron Company purchased the Salem Steel Company of Winston-Salem, a plant about one-third the size of the parent company. The merger program continued with the acquisition of Greenville Steel and Foundry Company of Greenville, South Carolina in 1959. In addition to fabricating structural steel, the Greenville plant also manufactures textile dyeing and finishing equipment.

Carolina, Salem and Greenville Steel all fabricate steel for buildings, bridges and miscellaneous structures out of rolled steel shapes, plates and bars that come from the steel mills. Plant facilities at all three plants include the engineering of detailed drawings, procurement of material, financial responsibility, shop equipment and the skilled labor necessary for the fabrication of steel. Carolina, Salem and Greenville Steel fabricated over 30,000 tons of structural steel in 1962, making the combined fabricating capacity of the corporation one of the largest in the Southeast.

The warehouse division in each plant is an important part of the overall operation. The warehouses furnish beams, channels, angles, plates, sheets, cold finished bars and sheets, hot rolled carbon bars and bar shapes, stainless steel sheets, galvanized sheets, and miscellanous warehouse items used in the construction and other industries. Total warehouse area in the three plants amounts to over 100,000 square feet.

In 1961 Carolina Steel Corporation (the name of the company was changed in 1959) purchased the Arnold Stone Company of Greensboro, manufacturers of precast, prestressed concrete products for construction. Carolina Steel Corporation could now offer complete service in the two major types of construction used for buildings and bridges—steel and pre-

Corolino Steel provided the froming for the Forsyth County Generol Hospitol in Winston-Solem (left). The Greensboro concern employs more thon 600 workers in its three plants ond in 1962 fobricated over 30,000 tons of structurol steel. It olso manufoctures prestressed concrete.

stressed concrete. The corporation's personnel now numbers over 600.

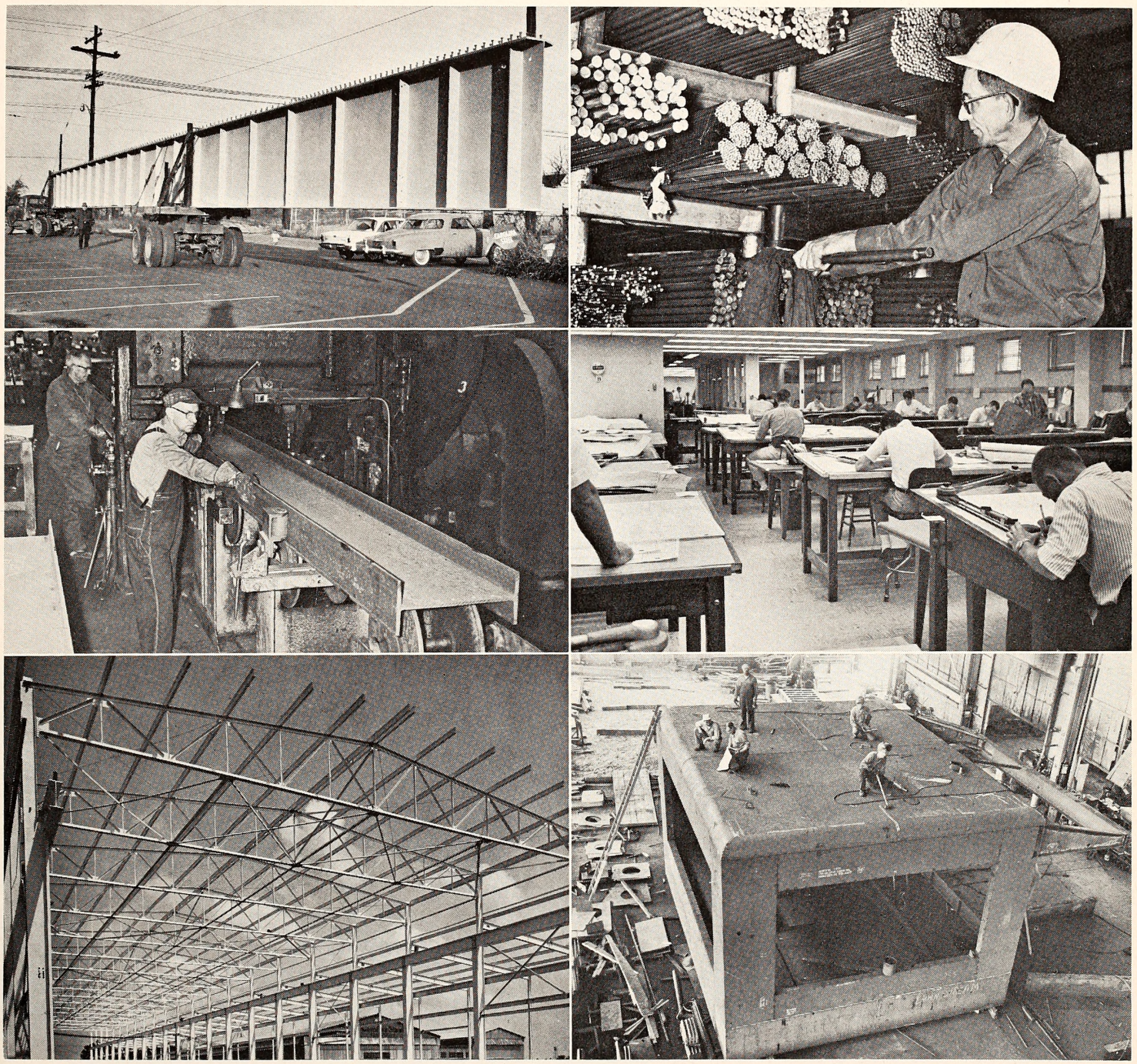
W. C. Boren served as president of the company from its organization in 1919 until his death in 1946. He was succeeded by J. W. McLennan, who became chairman of the board of directors in 1949. W. C. Boren, Jr., then became president, serving until 1952 when he became chairman and N. P. Hayes was named president. Other officers are W. C. Boren, III, vice-president; T. P. Noe, Jr., vice president-production, and secretary; S. R. Webb, vice president-engineering; L. H. Bennett, vice president-sales; C. L. Goodman, vice president-warehouse division; and N. G. Ridenhour, treasurer.

N. P. HAYES
President, Carolina Steel

Alongside the traditional structures framed for so many years in structural steel, super highways and bridges, radar and television towers, launching platforms and a multitude of complex and unfamiliar structures peculiar to the space age, form today's landscape.

All are giving striking new evidence of the versatility and strength of structural steel.

Carolina Steel Corporation and the steel fabricating industry look forward with eager confidence to the challenges this new age will bring—to a future that promises even greater growth and progress for North Carolina and the southeast.



Carolina Steel fills a variety of orders. This huge girder (top, left) was shipped to a bridge site in North Wilkesboro. Employee Bill Cates (top, right) pulls cold finished bars for shipment. The center photos show the operation of a spacer punch, operated by Earl Cain and Russell Carter, and a view of one of the company's drawing rooms. Carolina Steel employs over 100 engineers and draftsmen. The bottom photos show the steel framing of the company's recent 105,000 square foot fabricating shop addition, and workers are dwarted by the production of a huge gantry for a dam project.

Serving The Automotive Industry, Wix Company Leader In Filter Manufacture

The story of the Wix Corporation begins in July, 1939, in Gastonia, N. C., which is located about 22 miles west of Charlotte. Its first name was Wix-Crawshaw Company, manufacturers of Wix Filterfils, which later became known as Accessories Corporation, then Wix Accessories Corporation, and finally Wix Corporation as it is known today.

The original founder, the late Jack Wicks, and Paul Crawshaw, approached Allen H. Sims, A. G. Myers, Sr., and J. C. Roberts of Gastonia to urge their support for a relatively new industry of oil filterants.

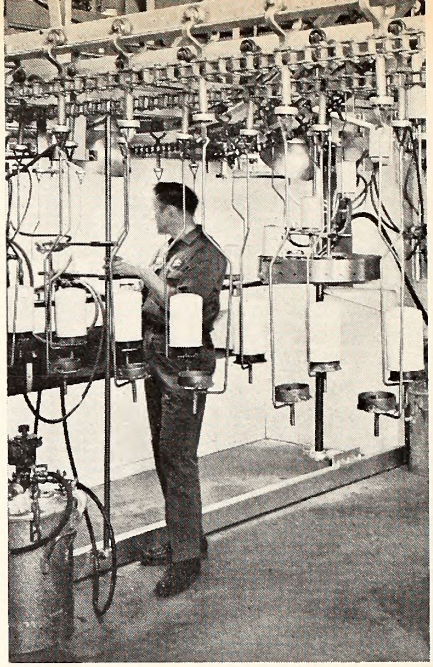
Paul Crawshaw states "the real story of Wix is neither mine nor Jack Wicks. It is Allen H. Sims, for without his keen business intelligence, foresight, faith, and pure guts, we would have never survived." They shoved aside some used machinery to make about 400 feet of working space in the former Ozark Mill building where men worked from sun up til sun down to start the foundation of prescription filtration.

The Company's location in Gastonia was not accidental. From this community comes one of the highest quality combed yarn cotton threads. This material was readily available in ample quantities and is a vital raw material for Wix Oil Filters. Also, solid American folks lived and worked in the thriving industrial Piedmont section of the Carolinas.

From these humble beginnings the Company has grown at a rapid pace to its present prominent position in industry. There are now two plants in Gastonia. The newest plant started operation in January, 1962. This plant contains approximately 130,000 square feet on 31 acres of land. Eventually all local operations will move to this site when additional work space is built. Other manufacturing affiliated companies include Wix Corporation, Ltd., Toronto and Ontario, Canada; Wix Corporation, Ltd., Auckland, New Zealand; and Wix Corporation (U. K.) Ltd., Waltham Abbey, Essex, England. Wix products are distributed for world wide use.

Wix also maintains warehouses in Dallas, Texas; Des Moines, Iowa; San Leandro, Los Angeles and Sacramento, California; St. Louis, Missouri; and New York, New York.

The U. S. automobile industry is the largest and most important of the durable goods industries creating an almost unlimited demand for original equipment and replacement parts. Every year brings increasing acceptance of Wix products for factory installation as original equipment by car and truck manufacturers in addition to increased sales of oil, air and fuel filters through the service trades and industry. Today Wix ranks among the four leading filter manufacturers and offers a complete line of oil, air and fuel filters for cars, trucks, tractors, buses, construction equipment, locomotive, marine and stationary engines.



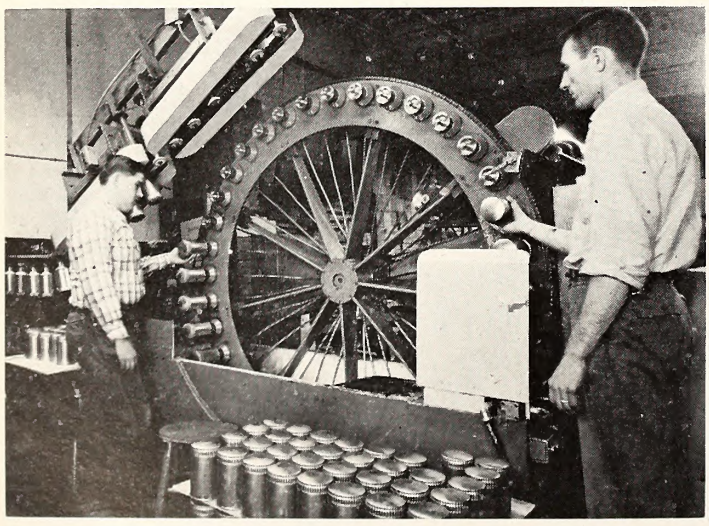
This is the spray paint room at the Wix Company's new plant, and the product being treated is the Wix spin-on type oil filter.

Wix engineered filtration and original design has established this company as a leader in the filter manufacturing industry. Their sound financial structure is evidenced by their current Dun & Bradstreet rating of AAA1.

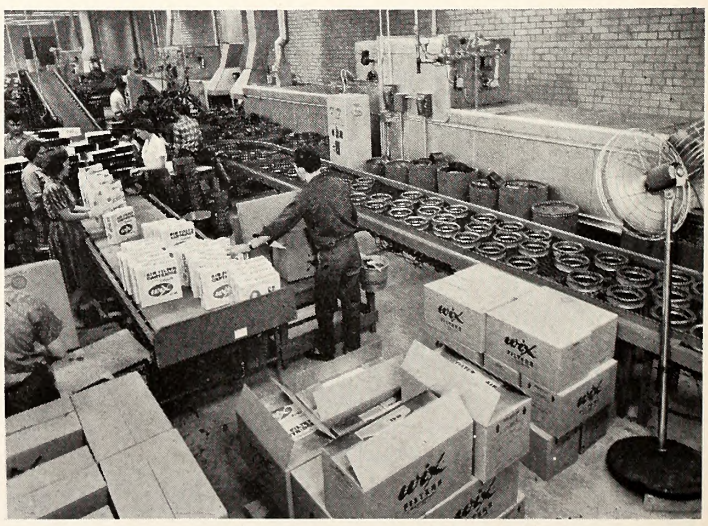
The one factor that contributed the most to Wix's spectacular growth in the filter industry is undoubtedly the *quality* of the Wix products. This was the major aim in 1939 and the attainment of this quality and constant growth is largely attributable to the keen management of the officers and directors.

The officers are:

Allen H. Sims, Chairman of the Board
L. G. Alexander, President
W. S. Barfield, Jr., Vice Pres. & Treasurer



The company attributes its growth to the quality of its products. Here, spin-on type oil filters are being automatically tested for quality construction. It is one of the four leading filter manufacturers in the country and its products are factory installed as original auto equipment.



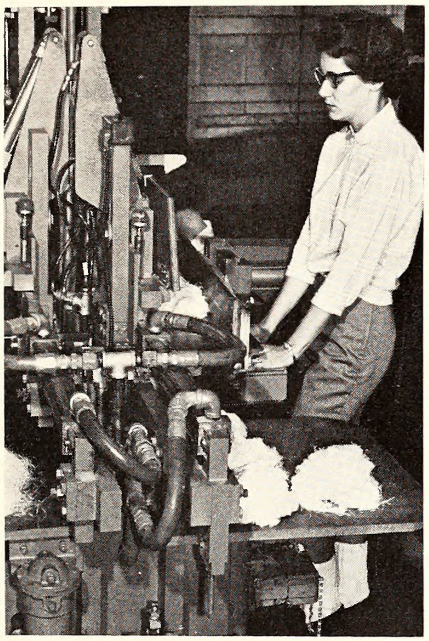
Wix air filter cartridges are packed for shipment in the production department. The company offers a complete line of oil, air and fuel filters for cars, trucks, tractors, buses, construction equipment, locomotive and marine engines and each year brings increasing use of Wix products.

Arthur Hull-Ryde, Vice Pres. & General Sales Mgr.
K. E. Humbert, Jr., Vice Pres., Engineering
Paul G. Crawshaw, Vice President
Lloyd W. Nourse, Vice President
John C. Roberts, Vice President
Cladwell Winecoff, Secretary & Controller
A. R. Gordon, Assistant Secretary
Benny S. Hoyle, Assistant Secretary
Joe L. Wilson, Assistant Treasurer

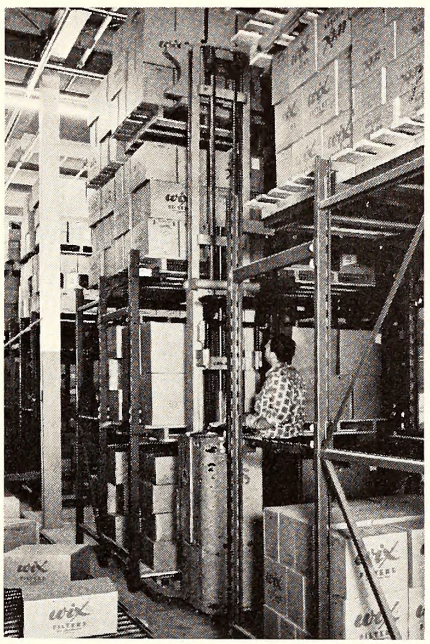
The Directors are:
Allen H. Sims, Chairman,
L. G. Alexander
W. S. Barfield, Jr.
Arthur Hull-Ryde
Lloyd W. Nourse
John C. Roberts
W. A. Daniel
J. R. Hudson
S. M. Stewart
Albert G. Myers, Jr.
C. C. Boshamer

The combined efforts of these men and all the people who work together to make up the Wix family are a truly great team. L. G. Alexander, President of the company, insists that it is not the buildings and machinery that provides the growth and quality of Wix products, but the people within the framework of the company who man the machines and work stations.

This is one company that can look forward to continued growth and a prosperous future.



This is the assembly line far packing cottan waste and sisal filters. Combed yarn cottan threads is a vital raw material far the manufacture af Wix oil filters. Gastonia affers a ready supply af this material.



Here is the shipping department of the new Wix plant. This plant cantains appraximately 130,000 square feet an 31 acres af land and all operations will saan move ta this new site when work space is acquired.

Allen B. Sims (left) Chairman af the Baard of the Wix Carparatian, and Wix President, L. G. Alexander, laak aver the findings of an emplayee apinian survey. "It's the peaple within the framewark af the campany," says Alexander, "that provide the growth and quality af Wix praducts."

Dennison
Machine Tool Company

Supplier Of Textile Equipment, Hickory Company Is Expert In Precision Tools

From reamers to rifle and missile parts is the story of the development of Dennison Machine Tool Company, Inc.

The business was established in 1942 by S. W. Dennison and was known as S. W. Dennison Machine Tool Company. It began operation in an area of about 200 square feet, producing and sharpening automotive reamers for garages in the state. The production of automotive reamers has now been discontinued.

The company moved to its present location in 1945. In June of 1946, S. W. Dennison was bought out by Charles F. Lutz, T. A. Mott, Jr. and Joe C. Cobb and incorporated.

The company is now a contract manufacturer; producing special metal cutting tools and precision machine parts for industry in all the southeastern states along with special equipment used in the processing of synthetic fibers by the textile industry in the United States, Canada and other foreign countries.

For the past 15 years, a large portion of the production capacity has been devoted to manufacturing parts for the Defense Department of the United States. In this effort, a very good relationship has been enjoyed with the various purchasing, inspection and administrative agencies of the Defense Department throughout the country. Parts and assemblies of a very precise nature have been produced for the M1 rifle, M14 rifle, and many other weapons systems.

From a one-man operation, occupying a few hundred square feet, the company has grown to its present employment of an average of 45 highly skilled machinist and toolmakers and includes 20,000 square feet of floor space.

WYSONG AND MILES ONE OF NATION'S MAJOR MACHINE BUILDERS

from BRADHAM & COMPANY, *Greensboro, N. C.*

Ever since Eli Whitney demonstrated that machine tools could produce interchangeable parts to small tolerances, the metalworking industry has been one of the basic industries of the nation. However, this particular industry has been little known in the South until recent years. There are indications that it is rapidly becoming a very important industry in the South.

In fact, the United States Department of Commerce has reported that metalworking has grown faster during the past three years in the southeastern states than it has grown in any other section of the country.

There is no other industry that contributes so much to our standard of living and to the defense of our nation. Articles which are considered daily necessities could not be produced without machine tools and even those that could be produced would be at a prohibitive price if produced at the wage scales prevailing in this country. For instance, it is estimated that an automobile built without machine tools at the wage scale prevailing in the automotive industry would cost something over $50,000.

The only manufacturer of machine tools in the South which belongs to the National Machine Tool Builders' Association is a Greensboro concern, Wysong and Miles Company. This firm builds power squaring shears, bending rolls, steelworkers, and air and foot power squaring shears which are used in the production of an almost limitless number of articles used in industry and in the home.

When you see an automobile, an electric refrigerator, television set, a farm tractor, or an airplane, there is a good chance that shears or rolls manufactured by Wysong and Miles Company played a part in their construction. Wysong machines are also playing an important part in the construction of guided missiles, atomic bombs, submarines, and many additional items essential to the defense of the nation.

Wysong and Miles Company was founded in 1900 by a red-whiskered Welshman from Cincinnati with the unusual name of Olmedo Cortez Wysong. His first two names came from a Spanish priest for whom his family had a high regard.

Wysong came to North Carolina as sales representative for an Ohio firm specializing in the manufacture of woodworking machinery. At that time the furniture business was just getting started in this state. Wysong decided to form a company to build several woodworking machines not then available. He decided on Greensboro because of its location in the center of the Piedmont area and because of the city's splendid railroad connections.

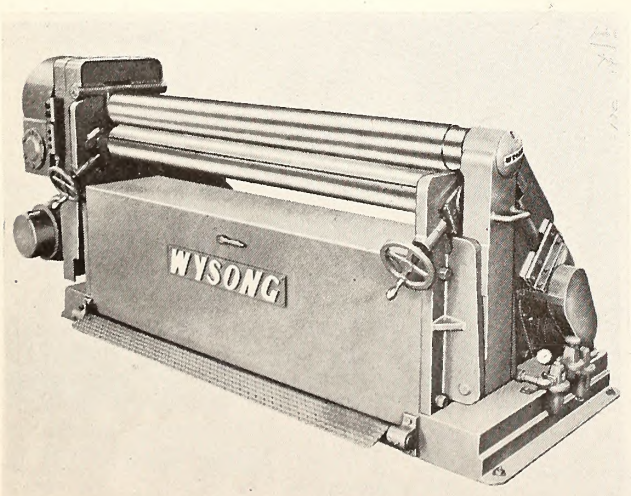
Up until the year 1902 or thereabouts, the polishing and sanding operations in furniture and other woodworking plants were accomplished by hand. A man using a piece of sand paper rubbed away at a piece of wood which in addition to being a long drawn out process did not result in a nice, smooth job. Wysong, with the very able assistance of his draftsman, C. F. Moon, designed and developed what is believed to be the first machines satisfactorily used in the sanding or polishing of wood.

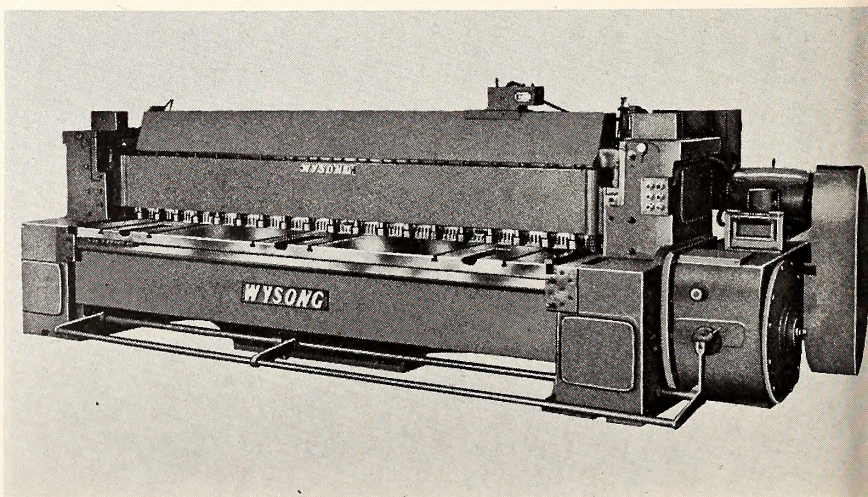
Three different machines were designed, each of which employed the use of abrasive belts running over cast iron pulleys which were faced with rubber to prevent slippage. One of them was for the sanding of edges of table and desk tops, etc. Another was for the exclusive sanding of flat surfaces and one of them was for the sanding of mouldings and irregular shapes of various kinds. These machines proved to be the answer to the woodworkers' sanding problems and hundreds of machines were built and shipped during the first years of the life of this company.

The next job tackled by Wysong was a hollow chisel mortiser—a machine for boring square holes in wood. He developed three of these machines—one a single spindle vertical job of the foot-power type, one a single spindle vertical machine of the automatic type and another one—a multiple spindle machine of the horizontal type for use in furniture factories on jobs which required several mortises in a single piece.

The multiple spindle machine could be equipped with any number of spindles from two to six inclusive and it was automatic in its operation. Prior to Mr. Wysong's development of the hollow chisel mortiser such jobs were performed either by hand or with a rather crude and slow machine which produced anything but a good job. The Wysong and Miles hollow chisel mortiser was a great boon to the woodworking people.

Another firm was then building a machine for cutting dovetails in the fronts, backs, and sides of drawers for furniture but it was rather slow. Wysong then started giving thought to a dovetailing machine with a high productive capacity and he developed a piece of equipment that was far ahead of its time. Some of them are still in use—as a matter of fact, a great many Wysong and Miles ma-





chines built 35 or 40 years ago are still in daily operation.

The belt sander, the hollow chisel mortiser, and the automatic dovetailing machines were firsts for Wysong and Miles and each of them played an important part in the progress of the furniture industry.

In the past few years the company has had three other firsts in the woodworking machinery field —an automatic hydraulic stroke sander, an automatic hydraulic multiple spindle hollow chisel mortiser, and automatic dovetailing machines which are far ahead of any such machines yet produced by any other concern. But even so, woodworking machines now represent less than 10 per cent of Wysong's total volume.

Wysong and Miles was not a factor in the metalworking machinery business until the advent of World War II, although as far back as 1917 and 1918 the company had built turret lathes and knife grinders and a few other pieces of metalworking equipment.

In late 1942 the United States was engaged in a huge tooling up operation for the armaments required to win World War II. Russell F. Hall, Sr., then president of the company, saw the great need for metalworking machinery.

Working under enormous pressure, the company designed and produced for the war effort hundreds of power squaring shears and bending rolls. The machines were manufactured in strict accordance with government specifications, on time and without a single rejection.

With this beginning, Wysong and Miles continued in the manufacture of precision metalworking machinery. The company soon became a leader in this field with a line of machines second to none.

The Wysong line now consists of power squaring shears with capacities from 16 gauge thru ½", in lengths from two feet through 12 feet, power bending rolls with diameter of rolls up to 6" and working lengths through 10 ft., steelworkers to shear angles up to 4" x 4" x ½" with a punching capacity of 55 tons, and air and foot shears of 18 gauge through 16 gauge with cutting lengths of three feet through 14 feet.

Today, machines produced by Wysong and Miles Company are shipped to all major manufacturing centers in both this country and overseas. Wysong sales and service representatives are constantly on the go, selling and installing machines produced in Greensboro.

Wysong and Miles all-steel bending rolls have working lengths from 36" through 120" (left), and makes three types of shears, power, air power and foot power. Cutting lengths for this type of equipment is from 24" through 14 feet.

The modern Wysong and Miles Company is a well integrated organization with two plants in Greensboro. These include an assembly plant and a foundry which turns out castings for Wysong machines.

Wysong's foundry is one of the very limited number of foundries in the country that is authorized to produce ductile (nodular) iron castings. The use of the finest materials has been an important factor in establishing Wyson's nationwide reputation for building top quality machines.

The company slogan, "Buy a WYSONG . . . It's MILES Ahead," has been proven with many thousands of satisfied customers.

DARF Corporation

Edenton Producer Manufactures And Distributes Wide Variety Of Farm Equipment

The DARF Corporation was organized in early 1951 and manufactures farm machinery, particularly a wheel-type side-delivery hay rake. The corporation was organized to manufacture under patents which have been in the development, application, and issuance stage since 1942. One of the basic patents covering this product was developed by North Carolina State College under the direction of Professor G. W. Giles, former Dean of the Agricultural-Engineering Department, and now with Ford Foundation in India. The initial appropriation by the College was $1,700 in 1942 to develop the Vine Row Harvester. Out of this development the DARF side-delivery rake evolved. The research, development, and patent processing have to date cost in excess of $275,000. Naturally, North Carolina State College's primary interest in the development of this rake was to give the farmers a machine that would more efficiently handle their crops. And since the College cannot enter the manufacturing field, the only way this machine could be made available to the public was through the licensing of a manufacturer. In early 1951 the DARF Corporation, through a licensing agreement, secured the rights to manufacture this farm implement and a part of the royalty to be paid on each machine will be remitted to the North Carolina State College Foundation. Another important patent under which the Corporation is currently operating was secured in 1949 by George C. Wood, President of DARF Corporation since its organization.

Manufacturing operations for DARF Corporation were begun in Sanford, North Carolina, in February, 1952, on rented property and terminated by fire in June of 1952. Thereupon DARF entered into a manufacturing agreement with Starline, Inc. of Harvard, Illinois, which arrangement continued through the season of 1958. In 1959 hay rakes were fabricated for DARF Corporation by Central Valley Manufacturing Company in Tulare, California, and by Leavenworth Steel in Leavenworth, Kansas.

For the 1960 season, rakes were fabricated by DARF Corporation in Edenton, North Carolina, and on a contract basis in Tulare, California, and in Winnipeg, Canada, by Inland Steel and Forgings Limited. Since 1960 fabrications have continued by DARF Corporation in Edenton and under contract basis with the Inland Steel and Forgings, Ltd. at Winnipeg and with Martin's Implement Center in Tulare.

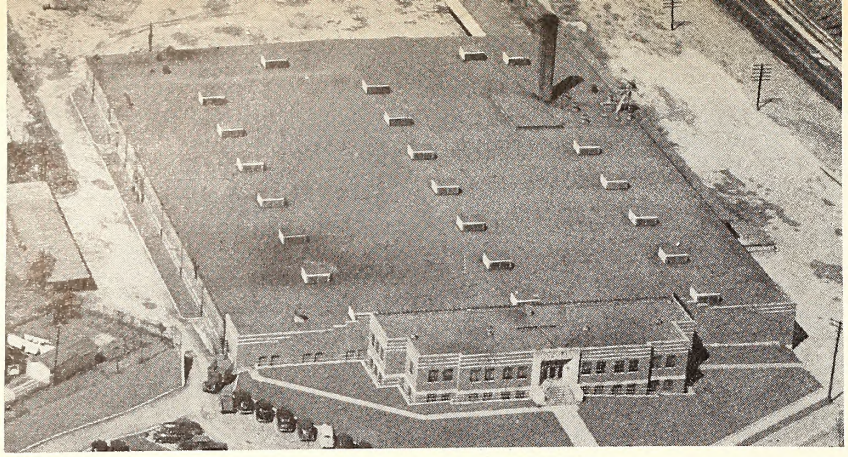
During 1962 approximately 1,630 hay rakes were made at the three locations as follows: DARF Corporation —1,000; Inland Steel and Forgings, Ltd.—500; and Martin's Implement Center—130. Of the rakes fabricated, a total of 1,180 were sold during the 1962 season ending August 31, 1962. During the year ending August, 1963, 2092 DARF hay rakes were sold.

Other items manufactured by DARF* are tobacco harvesters, sweet potato diggers, a new type tobacco stick, tobacco transplanters, bale bunchers, sub soilers, and manure spreaders. DARF does a tremendous parts business from the Edenton Plant with shipments going as far as South Africa.

All literature, parts lists and business forms are printed on the premises on an Offset 360 A. B. Dick printing machine using approximately three tons of paper a year. The literature is used not only to assist distributors but in responding to inquiries about DARF products from persons throughout the United States, Canada, and other countries—the most recent having been from Greece.

At the present time a new building is being erected to replace the old farm barn and surplus army tents in which the DARF plant has been operating during the last four years.

* Dairymen, Agriculturists, Ranchers, Foresters



WHITIN PLANT, CHARLOTTE, N. C.

WHITIN MACHINE WORKS

CHARLOTTE DIVISION

ESTABLISHED 1831

Whitin Machine Works was formed in 1831 to develop and manufacture John C. Whitin's patented "picker," a machine used in mills to clean cotton. From his one-room shop, the main plant at Whitinsville, Massachusetts, has grown into an industrial complex comprised of 32 buildings containing well over 2,000,000 square feet of manufacturing floor space.

It is one of the largest integrated metal working plants in the country. Plant facilities include a 150 ton-per-day, highly mechanized foundry, a separate and comprehensive Research Division and over 7,000 machine tools of every size, shape and capacity to cope with the engineering and machining specifications of today's close tolerance work.

The Charlotte Manufacturing Division of Whitin began operations in August, 1932, with 18 machines and three men. Repair work increased steadily each year until new quarters were required. A new site was purchased and in 1948 the first unit of the present building at 601 W. Summit Avenue was completed and 300 machines were installed, operated by 250 employees. This building was enlarged in 1949, 1952, 1954, and 1957 to take care of expanding manufacturing and warehousing needs and now provides 155,000 square feet of manufacturing, warehouse, and office space.

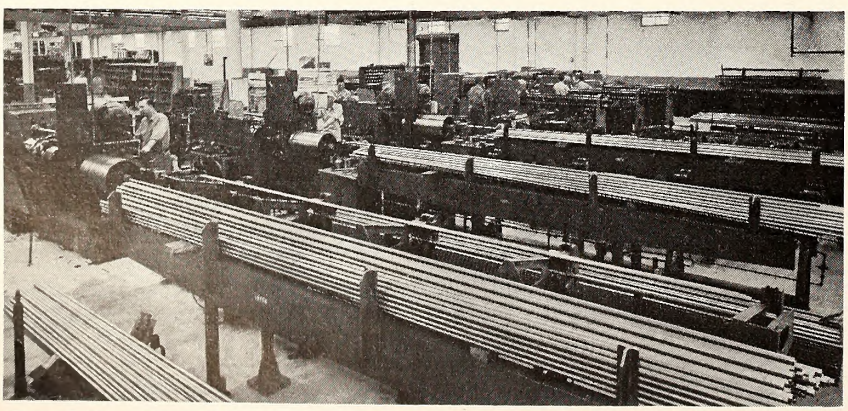
The principal activity of the Charlotte Division has been the manufacture and distribution of repair and replacement textile machinery parts, the building of changeovers and subassemblies for certain types of new machinery. Requests for parts of machines which have been in operation for 30 or 40 years are commonplace. To provide such service, thousands of engineering records, drawings and foundry patterns are kept in readiness at all times. Complete warehouse facilities have recently been installed at Charlotte and a full range of replacement parts are stocked for immediate delivery to mills in the South.

B. Curtis Grieb has been the Manager of the Charlotte Manufacturing Division since 1948 and is also a Vice President of the Corporation. Associated with him are James H. Hodge, Shop Superintendent, and Robert W. Taylor, Production Manager.

Headquarters for all domestic sales of new machinery is now located in Charlotte, headed by Robert I. Dalton, Jr., who is also a Vice President of Corporation. Sales and Service offices are maintained in Atlanta, Greensboro, and Spartanburg to give prompt service throughout the southern textile area.

In order to soften the impact of the cyclical economic pattern of the textile industry, the Corporation has developed product diversification. Indicative of the success of this far-sighted planning is the fact that Whitin has subsidiaries which manufacture such diverse products as offset printing presses and accessories, offset duplicators, shoe repair machinery and accessories, machine and special tools, and food processing machinery.

Principal officers of Whitin Machine Works are: Norman F. Garrett, President; Vice Presidents J. H. Bolton, Jr., R. I. Dalton, Jr., B. Curtis Grieb, Harry Moss; Treasurer Vaughn E. West; and Ward Smith, Secretary.



One of the nation's largest, Whitin Machine Works has over 7,000 machine tools of every size, shape and capacity for today's demands on close tolerance machining.

SACO-LOWELL

(Continued from page 11)

sively on government work. Tool and gauge inspection is temperature controlled and equipped with Pratt and Whitney precision gauge blocks, accurate within thirty millionths of an inch. Master blocks and working blocks are maintained and used by this department to establish all related dimensions for tools, gauges, fixtures, etc. All small tools and gauges, both company owned and employee owned, are checked periodically as required by quality control standards.

Francis Cabot Lowell founded the Boston Manufacturing Company, a cotton mill, at Waltham, Massachusetts, in 1813. The mill was equipped with machinery which was built, in part, in a machine shop located in the basement of the mill. From this basement room, 45 feet wide by 90 feet long, the company has expanded to manufacturing, warehouse and research facilities in five communities in New England and the Carolinas. It has sales representatives on every continent.

In 1963 Saco-Lowell Shops celebrated its 150th year in business. That year also marked its 15th year of operations in Sanford, North Carolina.

The Maremont Corporation of Chicago, Illinois, acquired controlling interest in Saco-Lowell Shops in 1960 through stock purchases. Executive offices of Saco-Lowell Shops are located now in Easley, South Carolina.

H. J. Haug, former comptroller of the Sanford Division, is now Works Manager. Other key personnel of the Sanford Plant are: E. H. Clark, Industrial Relations Director; J. M. Crimmins, Manufacturing Engineering Supervisor; J. W. Lyles, Resident Product Engineering Representative; J. E. Morgan, Quality Control Supervisor; W. F. Parrish, Production Control Supervisor; J. M. Sopousek, Plant Superintendent; and B. P. Williamson, Purchasing Agent.

Saco-Lowell supplies machinery for the textile industry all over the world. Some Saco-Lowell machinery has been shipped to Russia when such shipments have been permitted.

Miller Produces Machinery For Tar Heel Brick Industry

Miller Equipment Company was organized in the early '40's by Boyd C. Miller, and its phenomenal growth can be attributed to the energetic applications and sound engineering principles that Miller and his staff of engineers have applied to the mechanics of the clay working industry.

Production facilities of Miller Equipment Company are located parallel and adjacent to the mail line of the Southern Railway System in Salisbury. The company manufactures hydraulic pushing units, conveying equipment, kiln, transfer, and dryer cars, high and low temperature fans, hammermills, crushers, feeders and related items, tunnel kilns and dryers. Personnel skills for shop facilities include machinists, iron fabricators, welders, trade apprentices, etc.

BOYD C. MILLER

Sound engineering has been the key to the rapid progress and development of Miller Equipment Company, and plant design and expansion from layout to finished details is the accomplishment of Miller engineering. Resident engineers on construction sites have extensive background in ceramics, costs, planning and field management, and plant engineers have broad experience in the clay working industry.

Improvement in designs and development is another major characteristic of Miller products. Patent applications have been applied for covering the use of the "Cross-Flo" principle as applied to kiln construction. Trademarks and service marks as applicable to Miller fabrication are also in the patent state, and constant reappraisal of conditions needed to meet the expanding clay products business is the primary concern of the company's engineers.

Miller kiln and dryer installations and grinding equipment may be found in many locations in the United States and several foreign countries.

The Company has expanded its manufacturing facilities from approximately 9,000 square feet to approximately 25,000 square feet and plans include enlarging its office, purchasing and engineering facilities. Additional outside storage facilities and working area has been purchased and is now in use.

B. C. Miller serves as President and Treasurer of the Company, and H. T. Miller is Vice President and Secretary.

"E" Award Winner, Bill Hunt Exports The "Magic Tip"

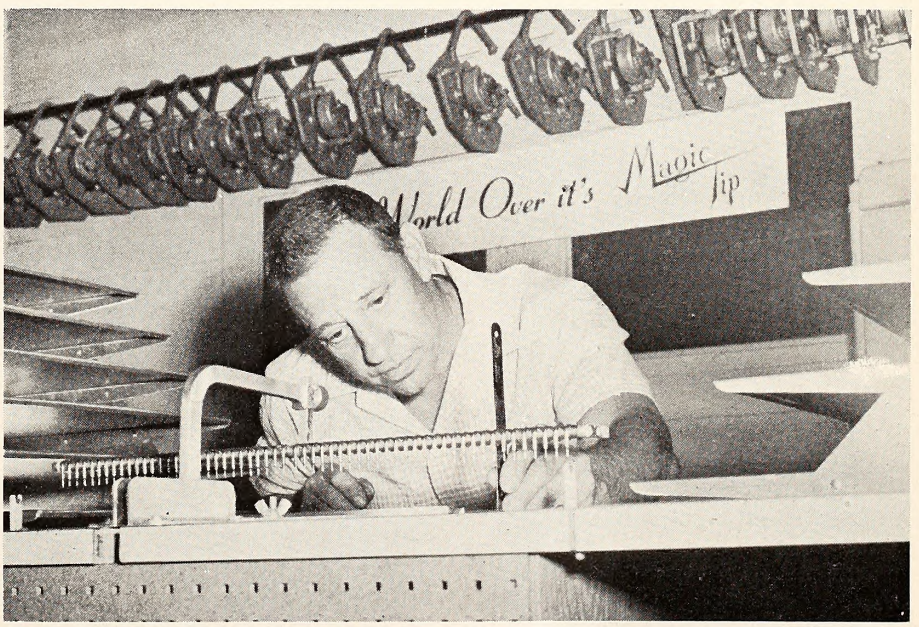
William Grayson Hunt has been called the "Rube Goldberg" of Laurinburg. Nevertheless, the ex-hotel operator was the first North Carolina manufacturer to be awarded President Kennedy's coveted "E" award for what the Laurinburg inventor is doing to help expand the nation's export trade.

Hunt is a one-man manufacturer. His company was formed in 1955 to produce a new automatic tipping and collating machine that puts together printed forms for business firms. Shortly after opening business in a one-story office, Hunt started advertising for foreign markets. "I was surprised and thrilled by inquiries from foreign countries," he said. "I had to get busy and find out how to make a shipment out of this country."

The W. G. Hunt & Company exported its first machines in 1956 and presently ships to 10 countries. In 1959, exports accounted for 14 percent of Hunt's business and in 1961 the figure increased to 35 percent. His firm, which manufactures the "Magic Tip" collating device, was selected from several hundred nominations for the "E" award in May, 1962, by Secretary of Commerce Luther Hodges. The selections were made after evaluation by an awards committee which included the Departments of Commerce, Interior, and Agriculture, and the Small Business Administration.

Hunt invented and patented his collating machine, assembles his product himself, packs it and ships to foreign and domestic purchasers. His "E" award was the first given to a Tar Heel from the President. "I'm convinced," Hunt said, "that many North Carolina businessmen are missing some lucrative sales by ignoring the export market."

The enterprising businessman attributes part of his success to the fact that his product is priced at less than $1,000 and within the range of owners of small print shops who cannot afford to pay around $12,000 for an automatic tipping and collating machine.



Bill Hunt, "E" award winner, manipulates his collator. From Laurenburg, the enterprising former hotel manager invented the machine and now distributes throughout the country and several foreign countries. Hunt is strictly a one-man operation and was the first Tar Heel manufacturer to receive the President "E" award.

J·D·WILKINS CO.
MANUFACTURERS

Architectural Metal

W. LEE ST. AT GLENWOOD AVE.

BY ROBERT O. DOSS

Thousands of people see and use the products of J. D. Wilkins Co. daily without ever hearing of the company or recognizing its handiwork. But among a relative few, the company is known and respected.

J. D. Wilkins specializes in custom-made architectural metal products, stair railings, window wall panels, window frames, fire escapes, stairway assemblies, ladders, doors, frames, grilles and many other essential parts of buildings for school, industry, business or commerce. The relatively few who know the company are the professionals in designing and building, architects and engineers, and the general contractors.

Wilkins' most spectacular assignment was to make the gold anodized aluminum screen back of the dais in the Senate Chamber of the new North Carolina State House. This huge conversation piece is held together by no less than 18,000 fittings. The company also made the building's exterior window walls of yellow brass and architectural bronze, with black anodized spandrels.

Wake Forest College students use Wilkins' products daily . . . stairs, exterior and interior railings. Some of the ornamental work there was hand forged in the Wilkins plant at 1200 West Lee St. in Greensboro.

Charles S. Wilkins is president of the company that his father, the late J. D. Wilkins, Sr., founded in 1910. Mr. Wilkins came from Chattanooga and bought out the old Greensboro Fire Escape Company, then set up what is believed to be the first ornamental iron works in the State. The company began making fire escapes, window and jail guards, and miscellaneous iron work.

In a day when industries are best known for their ability to mass produce countless products identical in size and shape, J. D. Wilkins Company is almost an anachronism.

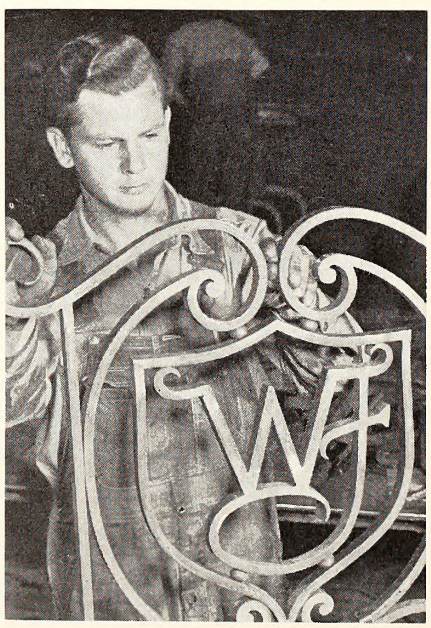
Most of its products are one-of-a-kind, especially designed by an architect and custom-made by skilled craftsmen. Wilkins reports that visiting engineers, trained in mass production techniques, sometimes tear their hair when they tour the plant.

"This kind of business is about the last stand of the real craftsman," the company president says.

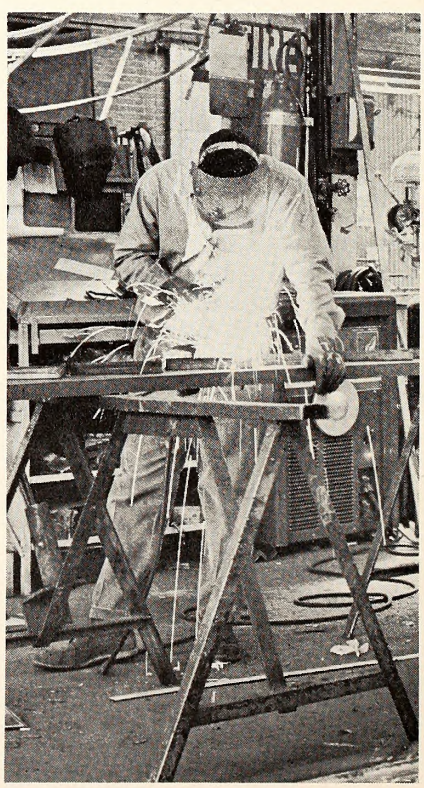
The company now has 58 employees. Of these, seven are in the engineering department and four in the sales estimating department. These latter two groups help architects, engineers and contractors with any problems in designing architectural metals.

Production craftsmen in the shop are divided into crews of five or six men. Each crew has a foreman who makes his own cutting list to cover the materials required for each particular product, supervises the work and solves fabrication problems as they arise.

There is another rewarding anachronism in the Wilkins plant. Today, most manufacturing employees see only the particular component or part of a product they make. Wilkins' craftsmen, however, get the unusual satisfaction of staying with their



The craftsmanship of the Wilkins Company is depicted here. J. F. Wolker (left) wos o moster mochinist before retirement. Roymond O'Conner works on the wrought iron signoture panel for Woke Forest College, ond on expert welder (right) works with framing steel. They hove the sotisfaction of hoving their project from start to finish.



products from start to finish—even to installation.

When the State House was opened for public inspection, Charles Wilkins chartered two busses and took his employees, their wives and husbands to Raleigh to see their contribution to the State's number one building. The group enjoyed luncheon together, and then had a guided tour of the structure.

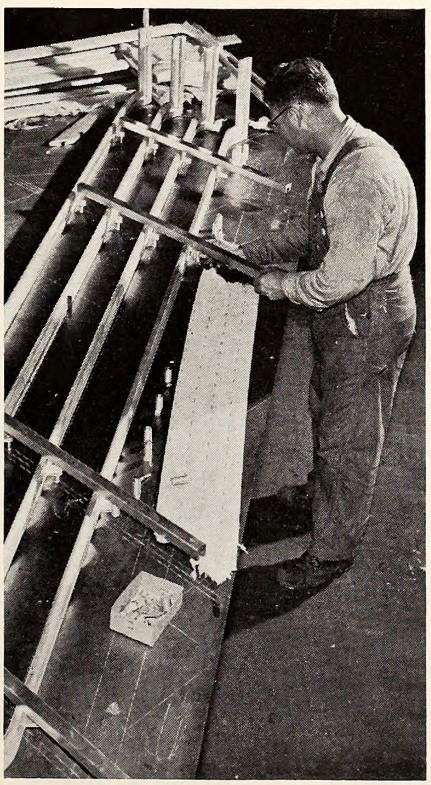
Wilkins' 64,893-square-foot plant is the third in the company's history. The main structure was built in 1924, more than doubled in volume in 1948, and a supply lot and crane yard were added in 1950.

During World War II Wilkins concentrated on material for the armed forces. Primarily it made equipment for LST's: ammunition racks, ladders, hatch covers and many other components. In recent years the trend of architecture has been toward nonferrous metals in new buildings. Today the company devotes about one third of its manufacturing space to work in aluminum and bronze.

In addition to manufacturing custom architectural metal, Wilkins is agent for other companies that make building products of metal. These include Williamsburg Steel Products (hollow doors and frames), Kinnear Manufacturing Co. (rolling service doors and fire doors), Henry Weis Company (toilet partitions) and many other items that make a complete line of metal products and allied services.

(See WILKINS, page 29)

Difficult metal fabrication jobs are made to order for the Wilkins Company. Here an employee assembles a precise aluminum railing. The company employs 58 workers.



LITTLE PITTSBURGH
the home of
Southern Engineering Co.

"Little Pittsburgh" Charlotte's western landmark, was founded in 1911 by the late Leslie Graham Berry, Sr. Southern Engineering Company was destined for leadership in the field of structural steel fabrication from the very beginning to the present colossus of cranes, sprawling buildings, big yard with tons and tons of steel, the 625-foot crane conveyor, and the freight cars, tractor-trailers, all loaded with steel materials ready for shipment.

Maintaining distributorship agreements with many of the nation's leading producers of such items as gratings, doors, windows, steel deck and other building specialties, Southern Engineering Company is well equipped to handle any problem involved in fabricating structural steel design.

Production capacity of the company is 2,500 tons of fabricated structural steel per month for one shift, 500 tons per month of miscellaneous iron on one shift, and 200 tons of plate and tank work per month on one shift.

The late founder of Southern Engineering was known as "a pioneer in the designing and engineering of the use of structural steel in construction," and his ideal of services and quality workmanship is the backbone of the company's reputation today.

Leslie G. Berry, Jr., President, is the elder son of the founder. He started with the company in 1930 as erection crew timekeeper and served in various capacities in shop fabrication, sales, engineering and production. He became Vice President in charge of personnel in 1953 and was elected President in 1956. His long range planning and enlightened personnel policies have contributed greatly in producing an efficient and harmonious organization.

T. H. Cato, Vice President and General Sales Manager, joined the company in 1945 and was appointed to head the sales organization in 1956. Under his leadership the sales program has been diversified and strengthened to assure full production.

Vice President Floyd G. Berry, second son of the founder, joined the company in 1938. His interest lies mainly in the study and projection of methods of economical fabrication and handling.

Southern Engineering Company maintains membership in the American Institute of Steel Construction, Inc., the Concrete Reinforcing Steel Institute, the Associated General Contractors of America, the Steel Service Center, and the Virginia-Carolina Steel Fabricating Association.

In 1921 Southern Engineering Company moved its main office and plant to its present site, a 12-acre tract on Wilkinson Boulevard in Charlotte where the company is served by the main line of the Southern Railway System. Southern Engineering maintains 100,000 square feet of covered, paved and heated shops to assure year 'round production. From its structural shops the company produces approximately 2,500 tons of structural steel per month for bridges and buildings, consisting of trusses, girders, beams, columns, and miscellaneous steels in welded and riveted designs.

The staff of Southern Engineering includes licensed, experienced and qualified engineers, and in its drafting room the company produces its own shop drawings.

Structural shops numbers one, two and three include 52,000 square feet of floor space. The company's miscellaneous shop houses 13,000 square feet; burning and machine shop, 4,000 square feet; detail shop, 1,500 square feet; plate shop, 7,500 square feet and plate storage, 20,000 square feet.

Southern Engineering Company's versatile fabrication equipment is believed to be unsurpassed in accuracy and economical production. Each operation is carefully planned and controlled and a continuing school of instruction keeps operating personnel abreast of new techniques.

The company produces such items as smoke stacks, breechings, tanks, vats, hoppers, industrial cyclones and many items of custom design. These items are regularly produced in stainless steel, aluminum and abrasive resistant and other metal alloys, in addition to mild steel. Maintaining large stocks of abrasive resistant material to fabricate such items as chute liners, coal screens and weir plates of all descriptions, Southern Engineering is also an authorized

(See SOUTHERN, page 29)

IDEAL MAJOR SUPPLIER TO NATION'S TEXTILE MANUFACTURERS

BY A. W. KINCAID

On July 1, 1963, Ideal Machine Shops and Ideal Industries consolidated into one corporation. Now, the two "Ideals" have the same charter and are titled, Ideal Industries, Inc.

From its January, 1925, beginning, Ideal was a struggling effort to get into the business of repairing textile machinery—heavily in debt and without operating capital. However, under the management of Samuel C. Kincaid, and after his death in 1930 under the management of his son, Arnold W. Kincaid, Ideal Machine Shop managed to survive the depression years.

In 1940, C. Jack Costner came in as a parter and manager of production. In 1941, Elvin B. Robinson joined the company as a partner and manager of sales. The three partners made great progress in the business during the next several years.

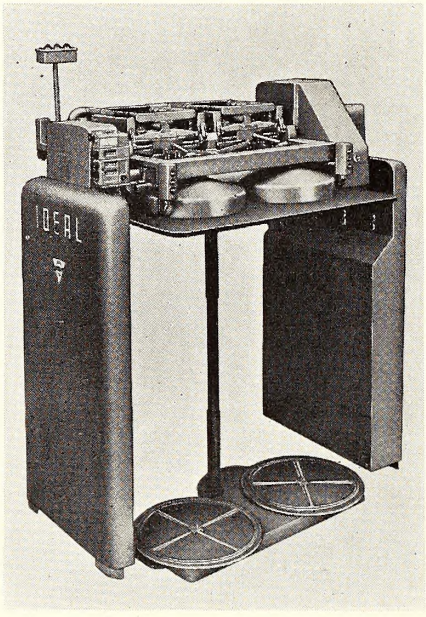
By 1948 it became necessary to organize another company to manufacture and market the "Feathertouch Drafting System" which had been patented by inventor Elvin B. Robinson in 1946. With the formation of the new corporation, Ideal Industries, Inc., Joe R. Whitehurst came into the business in 1948. From then until the merger of the two companies in 1963, they operated as separate businesses.

Responsibility for the operation of the company is placed in the executive committee by the authority of the stockholders and directors. Costner, Whitehurst and Kincaid compose the executive committee. They employ a system of business procedures which were drawn up by an out-of-state consulting firm. Management plans have since been revised and expanded to meet current needs.

Annual sales of the company are about $3.5 million. Payrolls are above $1.25 million and employment is about 250 persons.

Present officers are Joe R. Whitehurst, President; Mrs. Corinne S. Robinson, Vice President; C. Jack Costner, Secretary; and Arnold W. Kincaid, Treasurer.

Ideal Industries, Inc., gained recognition as an important manufacturer of equipment for the textile industry through its development of the Ideal Feathertouch® Drafting system for the drawing frame process. This drafting system was first developed to make changeovers on existing drawing frames to enable them to produce drawing sliver at approximately 200 feet per minute, rather than at 100 fpm to 125 fpm, speeds then believed to be the highest at which quality drawing sliver could be produced.

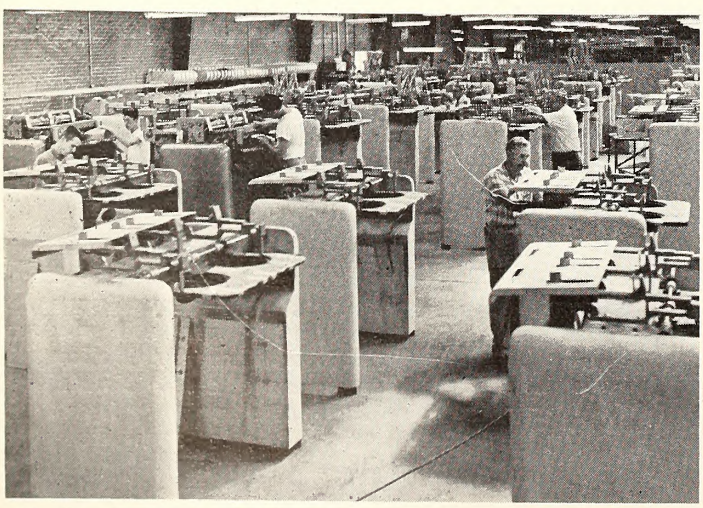


Ideal's spring weighted drawing frame, one of the newest models manufactured by the Bessemer City, Narth Carolina, firm.

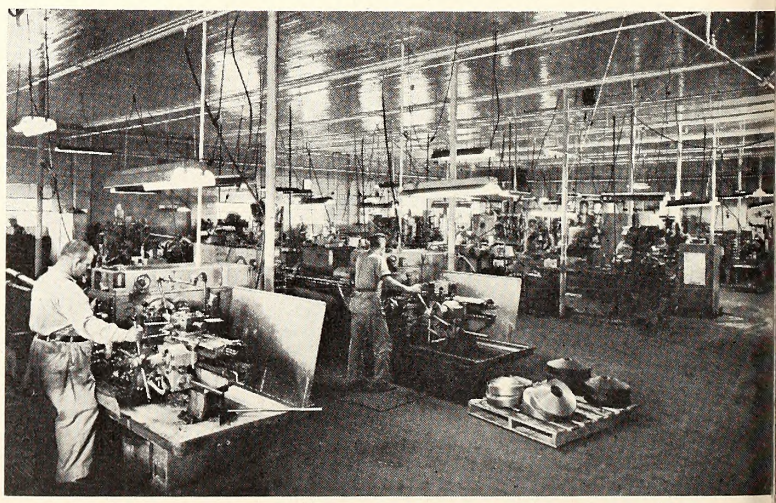
After these changeovers had been in successful operation in many mills for some time and requests for higher production and larger cans increased, it was decided that an improved coiling system must be developed to operate at higher speed. The Ideal High Speed Ball Bearing Coiling System and the Ideal Vacuum Cleaning System were developed to permit speeds through 400 fpm.

More than 14,000 deliveries of these high speed changeovers in mill operation proved that increased speeds had no detrimental effect on quality of drawing sliver, and demands for even faster production developed. Tests at more than 400 fpm indicated that the Ideal Feathertouch® Drafting System could be operated far beyond the limitations of changeovers. Ideal Industries, Inc. then developed a completely new individual four-delivery drawing frame with many features which insured smooth, efficient operation at 500 fpm.

Successful operation of some 1800 deliveries of the Ideal Four-Delivery Drawing in more than 60 mills, operating a speeds through 500 fpm, led to further developments toward even greater production. It was determined that for efficiency and quality purposes, drawing frames operating faster than 500 fpm should be limited to two-delivery machines. The Ideal Two-Delivery "750" Drawing Frame and Ideal Two-Delivery SW Drawing Frame were developed and put on the market to operate at speeds of 750 fpm and faster.



Ideal's assembly department. The company has received orders for mare than 3200 deliveries of the two-delivery drawing frame from 135 mills in the United States and, in addition, many foreign markets.



This is part of Ideal's manufacturing shop. Total employment at Ideal is about 250 persons and the company reports annual sales of about $3.5 million. An expansion is planned soon by the company.

Maximum speed of the Feathertouch® Drafting System is unknown if properly surrounded by other necessary adaptions for ultra high-speed drafting.

Ideal Industries, Inc. has received orders for more than 3200 deliveries of the two-delivery drawing frames from 135 mills. These mills include such prominent textile organizations as Burlington Industries, Inc., Klopman Mills, Erwin Mills, J. P. Stevens and Company, Inc., The Springs Cotton Mills, Reeves Brothers Corporation and Deering Milliken, as well as mills throughout the world.

The Ideal Feathertouch® Drafting System is readily adaptable to processing carded and combed cotton, synthetics, synthetic blends and wool, of staple lengths 7/8" to three inches, and has proven to be most acceptable for blending and processing the popular polyester-combed cotton blends.

Since the introduction of the Ideal Feathertouch® Drafting System 15 years ago, Ideal Industries, Inc. has kept at the task of improving the drawing process, and each successive innovation has uncovered new possibilities. As specialists in drawing, Ideal Industries, Inc. has its engineering department continually concentrating on projects to improve quality, efficiency and production of this one particular phase of yarn manufacture.

As to our plans for the future, we have purchased 32 acres of land across from the present plant where we hope to build ample facilities to accommodate our growth for many years. When we start will be determined by business developments now brewing. We hope it will be in 1964.

State's Industrialists Pay $969.5 Million

North Casolina's industrial employers paid in excess of $969.5 million in wages during the third quarter, 1963, almost seven percent greater than workers earned during the comparable time in 1962.

Figures from employers' quarterly wage and employment reports show that Tar Heel industrial workers averaged $74.68 each week during July, August, and September. Although weekly earnings dropped about $2.00 under average summer wages, payments made during the quarter were 3.5 percent higher than workers earned during third quarter, 1962.

July, August and September saw more workers covered by unemployment insurance than at any other time in North Carolina. Nearly 1,000,000 people were working in covered employment during that time.

Paper and chemical workers earned the highest weekly wages during the quarter at $112.

PROCTOR AND SCHWARTZ LEXINGTON PLANT

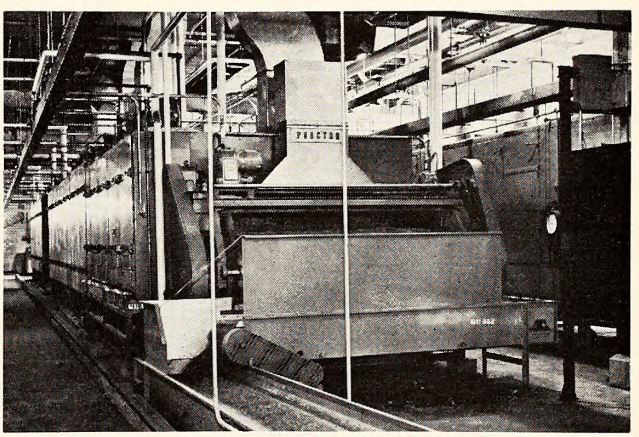
Proctor and Schwartz Provides Machinery For Textile, Tobacco, Chemical, and Food Industries

Industrial drying equipment, made at the modern Lexington, North Carolina, plant of Proctor & Schwartz, Inc. is helping to provide better, more economical products for people the world over. The food they eat, the carpets they walk on, the clothes they wear, the tobaccos they smoke, are most likely processed on Proctor machinery.

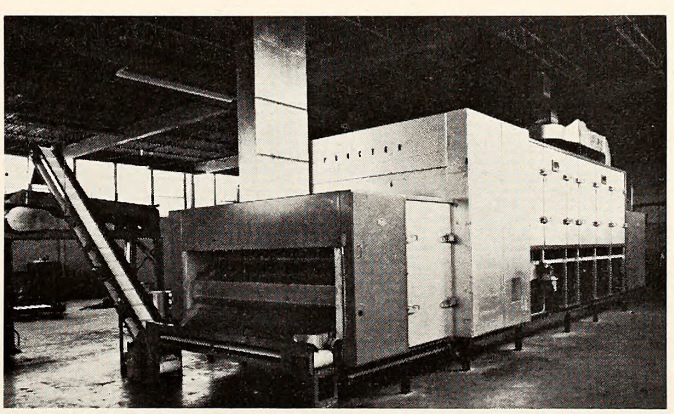
Conveyor dryers, tenter housings, carpet dryers, and hosiery machines for Proctor Hydro-Set (a Proctor & Schwartz, Inc. subsidiary), are being fabricated and assembled in Lexington at an ever increasing rate.

Located on a 30-acre site, south of the city of Lexington, this well-equipped plant employs some 150 people and is headed by Mr. F. Bickel, plant manager. The sale of equipment produced by this facility and sold to the tobacco, chemical, food, and textile industries has increased to an extent that an expansion of the plant area by 50 percent is now taking place, resulting in a total manufacturing area of 116,000 square feet.

Proctor & Schwartz, Inc., a wholly owned subsidiary of the Proctor-Silex Corporation, first opened the Lexington plant in May of 1960. The center of Proctor's conveyor dryer manufacturing, this plant utilizes the latest methods and equipment for metal fabricating and assemblying to economically and efficiently produce modern dryers. A new dryer design has resulted in the production of more efficient machinery . . . a vital factor in manufacturing drying equipment with the versatility necessary to meet a wide variety of customer requirements.



As ane of the leading suppliers af tobacco drying equipment, Practar & Schwartz, Inc., manufactures a wide variety of machinery for the tobacca industry. Typical af this equipment is this Cooler and Ordered built at the Lexington plant and installed in a modern cigarette factory.



The company employs 150 people. Typical of the praducts manufactured at Proctar & Schwartz's Lexington plant is this madel SCM Dryer to toast sugared cacaanut at a eastern processing plant.

PEDEN STEEL

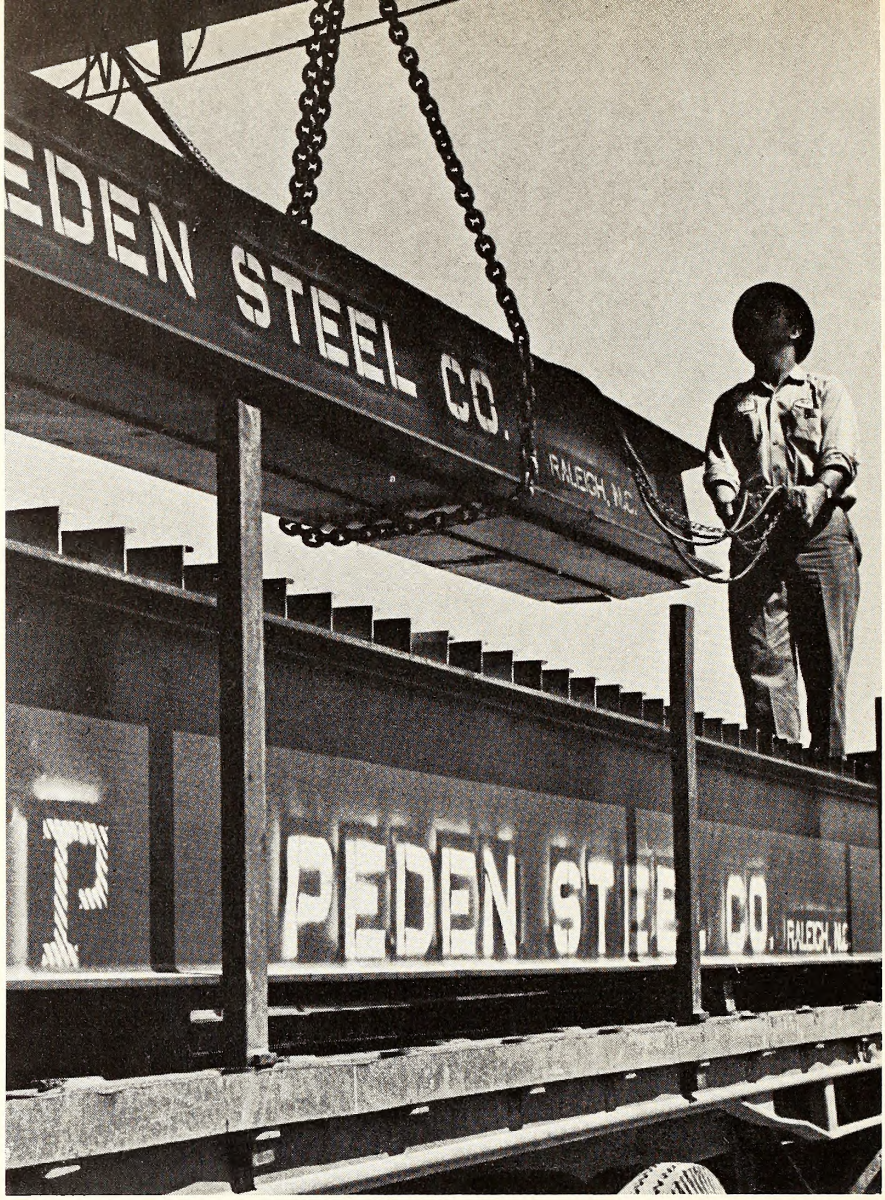
In 1931, the name Peden Steel Company became a part of North Carolina industry. Prior to 1931 the name was the Raleigh Iron Works and for more than 100 years the company supplied North Carolina builders with ornamental and building iron.

In 1834 the structural iron and ornamental rails were fabricated for North Carolina's famed Capitol Building by the Raleigh Iron Works at its original location on Hargett and West streets in Raleigh.

Since 1931 Peden Steel Company has had a record of steady growth to better serve the needs of construction. Now at its new location on U. S. Highway Number One north, Peden Steel is conveniently placed in the heart of an excellent industrial area with two railroad sidings to send fabricated structural steel anywhere in the Nation, but mainly to North Carolina and surrounding states.

Peden Steel maintains thousands of tons in inventory to answer the demands for structural steel and steel commodities. The two main divisions are fabricated structural steel and steel commodities which include a steel service center and building materials, and builders hardware and hollow metal.

To do the job, it takes more than a vast inventory tonnage of raw steel. It takes an inventory of men and equipment. Peden Steel is at an all-time peak in employment. There are 190 employees on the payroll which averages $875,000 yearly. Consultants and estimators, engineers and detailers, bookkeepers and secretaries, shop foremen and steel workers—all serve construction with know-how and experience. It takes topflight employees to give topflight service, and Peden Steel takes pride in both. For years builders and contractors, architects and engineers have relied on Peden Steel Company to tailor the shapes they specify exactly the way they need them—intricate designs for bending, cutting, welding, punching, and assembling structural steel into almost any conceivable shape. With today's new grades of steel, Peden has the capability and equipment to utilize new fabricating techniques for construction to capitalize on the full versatility of structural steel.



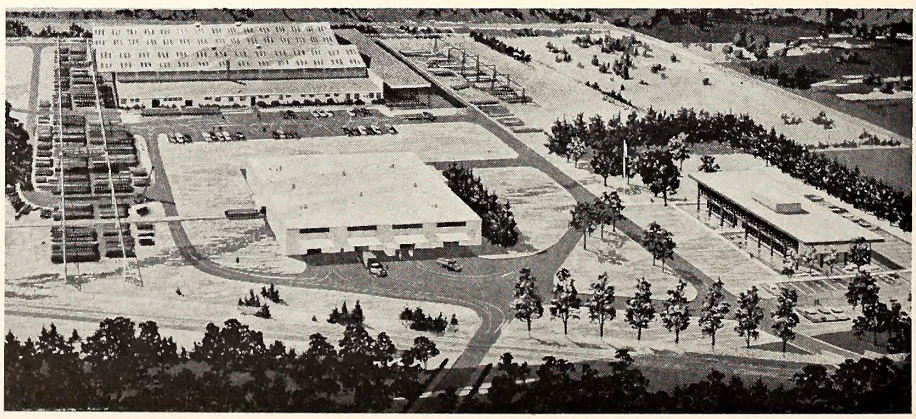
"Where and when you need it" should be the caption of this picture as another load of Peden steel arrives on the job. The Wake County firm maintains thousands of pounds of steel inventory for structural steel demands, and employment, say company officials, is at an all time high. The company was founded in 1834 as the Raleigh Iron Works.

This, in fact, is the job which is being done at Peden Steel Company.

Management at Peden Steel includes J. M. Peden, President and Treasurer; J. M. Peden, Jr., Executive Vice President; E. O. Moody, Senior Vice President; J. B. Graves, Manager, Commodity Division; John L. Sally, Manager, Fabricated Sales; Donald Umstead, Comptroller; E. C. Yow, Jr., Manager, Purchasing and Engineering; and E. M. Johnson, Manager, Production and Personnel.

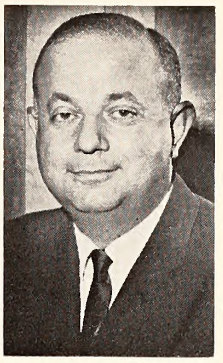
Proud of the past, prosperously producing for the present, and eagerly planning for the future, Peden Steel lives up to its slogan—"Steel For Community Strength."

An artist's conception of the new Peden facility located on U.S. Number One, north. General and executive offices are housed in the modern structure on the right of the photo. Indoor and outdoor facilities and shops are located nearby. Annual payroll is approximately $900,000, and officials say the company is planning for the future.



ROBERTS COMPANY

SANFORD, NORTH CAROLINA



Robert E. Pomeranz, president of the company, founded the textile machinery firm in 1948.

Commemorating its 15th anniversary this year, Roberts Company of Sanford, North Carolina, has emerged as a major factor in the field of textile machinery manufacture. Its products, predominantly spinning and twisting frames used for making and twisting yarn, are sold world-wide and have been installed in textile mills in Europe, Africa, Asia, the Middle East, South America and, of course, the United States and Canada.

Roberts started in 1948 when Robert E. Pomeranz, President and Board Chairman, opened a small shop to make small metal parts for textile machines. He selected Sanford, North Carolina, where today, just 15 years later, Roberts maintains its main plants and office headquarters.

From its start, Roberts Company's growth has been steady and rapid. After making all parts that go to make up a spinning frame (to produce yarn), the company then logically went into the manufacture of complete new machines in the late 1950's. Since then, Roberts has sold 3,000 of its spinning frames to textile mills in the United States and abroad, plus hundreds of thousands of spindles of modernizations in rebuilding existing machinery.

From a small, one-room shop the company has expanded to a complex of facilities totaling nearly 300,000 square feet.

Company headquarters in Sanford, N. C., occupy a square block and consists of more than 62,000 square feet, containing the main office building of the company, as well as Roberts' main machine tool and plant shops. Other manufacturing facilities in Sanford bring total space in North Carolina to more than 165,000 square feet.

Roberts' modern and fully mechanized foundry and additional machine shops are located in a 135,000 square-foot building in Greenwood, S. C.

Roberts employment at present exceeds 1,000 persons, of which nearly 800 are located in North Carolina.

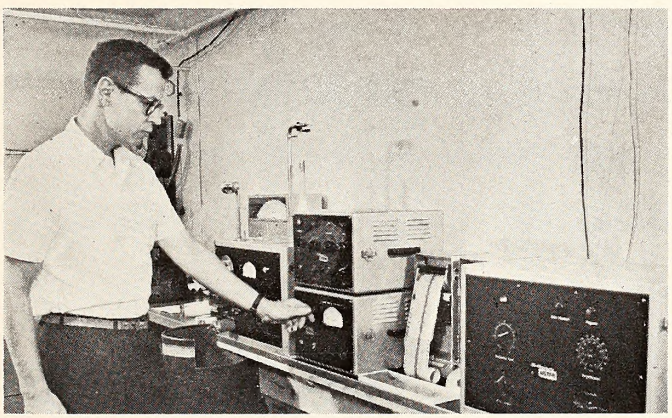
A staff of sales engineers in the field completely cover the textile industry customers in the United States, Canada, Mexico, South America, Europe and the Far East. In addition, sales representatives are located in principal world areas.

Roberts intensive efforts to sell its North Carolina - made machinery abroad brought recognition late in 1962 when the company received from the federal government President Kennedy's E-for-Export Award.

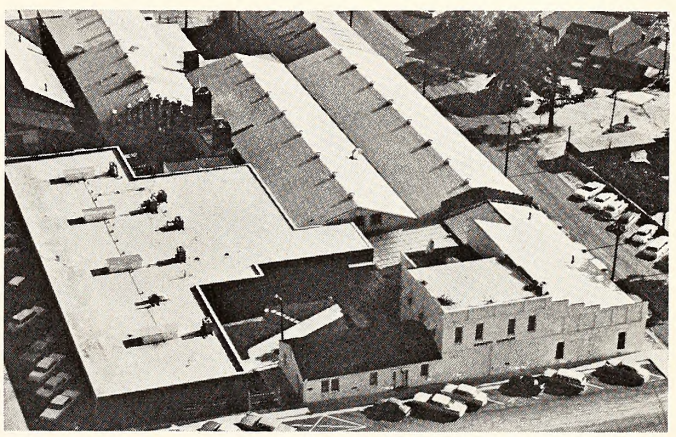
Of particular significance to Roberts Company's success and growth has been its policy of being a complete manufacturer; designing, engineering and making all parts for its complete machines in its own plants. A close control of quality, costs and inventory are thus accomplished and translated into additional value benefits to its customers.

With more than a $2 million in-

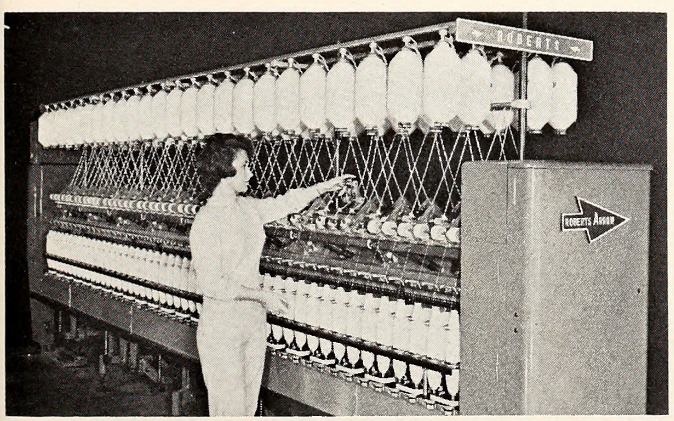
(See ROBERTS, page 58)



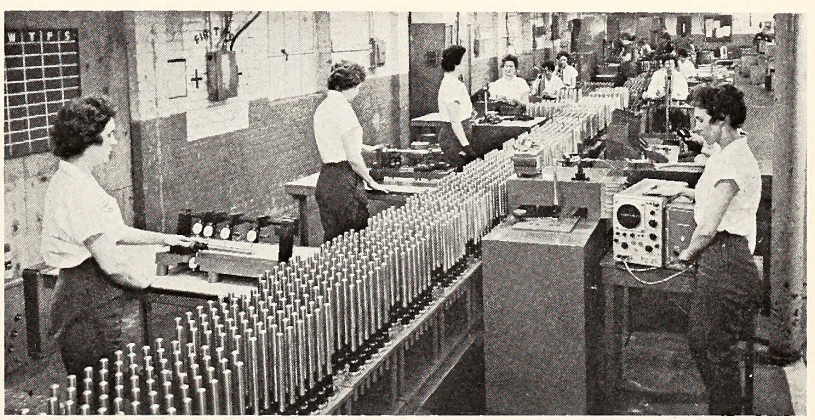
Roberts emphasizes quality, not only on machinery and components, but also on yarns produced on its machinery. Here is a section of the yarn testing laboratory. Roberts has received the "E" award.



Aerial view of Roberts Company's main plants and company headquarters in Sanford. Occupying a square block, it contains more than 62,000 square feet of space. Nearly 800 employees are in N.C.



This is a late model Roberts spinning frame for producing yarns from natural or synthetic fibers and blends. The company says 3,000 similar machines have been sold in the past seven years.



Row upon row of Roberts supreme spindles move down the assembly line for their final quality and performance inspections. The spindle department occupies a separate building in Sanford. Roberts maintains another plant in S. C.

FERGUSON GEAR COMPANY

CUT GEARS **CHAIN DRIVES**

GASTONIA, NORTH CAROLINA

During and after World War One the South began to increase its industrial growth, which is continuing today with ever growing tempo. To turn the wheels of industry gears are required, so the South was a logical place to locate a gear plant, thus reasoned Mr. Richard Ferguson and Mr. R. S. Ferguson.

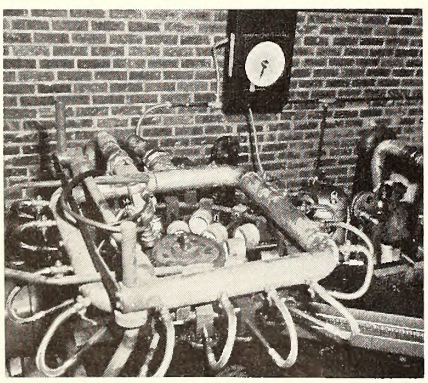
In 1924 they organized The Ferguson Gear Company and built a plant at 529 Airline Avenue, Gastonia, N. C. Gastonia was selected as a location since it was the center of the combed yarn industry with a growing number of textile plants.

The engineers of The Ferguson Gear Company were convinced that a precision gear, made to close tolerances, would be in demand by southern industry, since a precision gear would carry heavier loads, run quieter, and wear longer than an ordinary gear. With this in mind the latest type of automatic gear cutting equipment was purchased.

Thirty-nine years later the policy of making precision gears is still followed. This policy has been successful as the present plant area is some five times that of the original plant with production capacity some 10 to 12 times that of the original equipment.

Ferguson gears are made from the best quality materials available. The steels used are either alloy or high carbon depending on the gear requirements. Iron castings are made from Ductile Iron, Semi-Steel, or Gray Iron of high tensile strength. Phosphorous bronze is used for bronze gears to give strength and long life. Gears are also made from rawhide, thermoplastic material and fibre to give silent operation.

Ferguson gears are shipped into all states from Maine to Florida to California. The users encompass a cross section of industry such as cotton textiles, producers of synthetic yarns, furniture, tobacco, chemicals, paper, paper pulp, paper converters, and many others. Sales offices, staffed by competent gear engineers, are maintained in Mexia, Texas; Savannah, Georgia; LaGrange, Georgia; Greenville, S. C.; Greensboro, N. C.; and Gastonia, N. C. The officers of the Company are: Mr. Charles E. Stine, President; Mr. Robert E. Stine, Vice President; Mrs. R. S. Ferguson, Treasurer; Mrs. A. B. Ferguson, Secretary.



Precision gears ore the quality trademorks of Ferguson Geor Compony of Gostonio. Photo on the left is a close up shot of the compony's flome hardening mochine for heot treating gears. Bottom left photo shows the operotion of o coniflex type, bevel geor generotor ond on the right on outomatic turret lothe in operation. Steel used in Ferguson geors is either olloy or high corbon depending upon geor requirements. Procticolly every industry uses Ferguson geors ond the Gastonia compony's products are shipped into oll stotes. The company wos orgonized in 1924.

Products

Spur Gears—From ½" diameter weighing a few ounces to 60" diameter weighing several thousand pounds.

Bevel Gears—Coniflex type, straight tooth, from ½" diameter to 24" diameter.

Helical Gears—From ½" diameter to 60" diameter.

Herringbone Gears—From ½" diameter to 60" diameter.

Worm Gears—From ½" diameter to 60" diameter.

Worms—From ½" diameter to 6" diameter x 60" long.

Roller Chain Sprockets—From ½" diameter to 60" diameter.

Silent Chain Sprockets—From ½" diameter to 60" diameter.

Also many special drives of our own design for textile machinery such as:

Roving frame compounds.

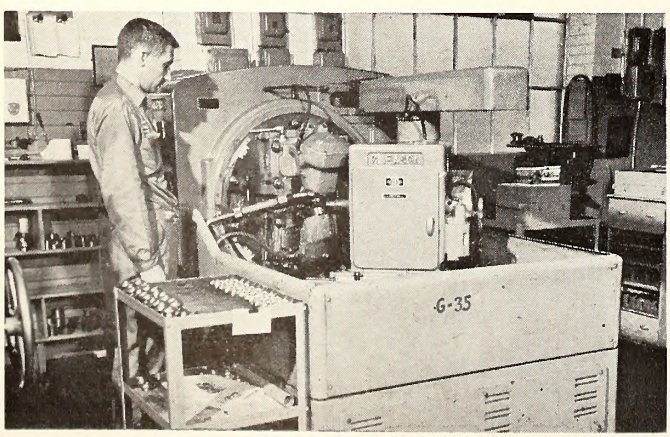
Bobbin shaft chain drives for roving frames.

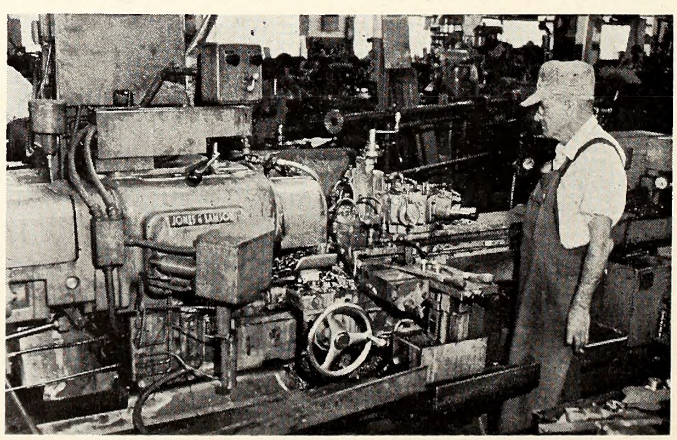
Slub yarn attachments for spinning frames.

Chain drives for Kitson Pickers.

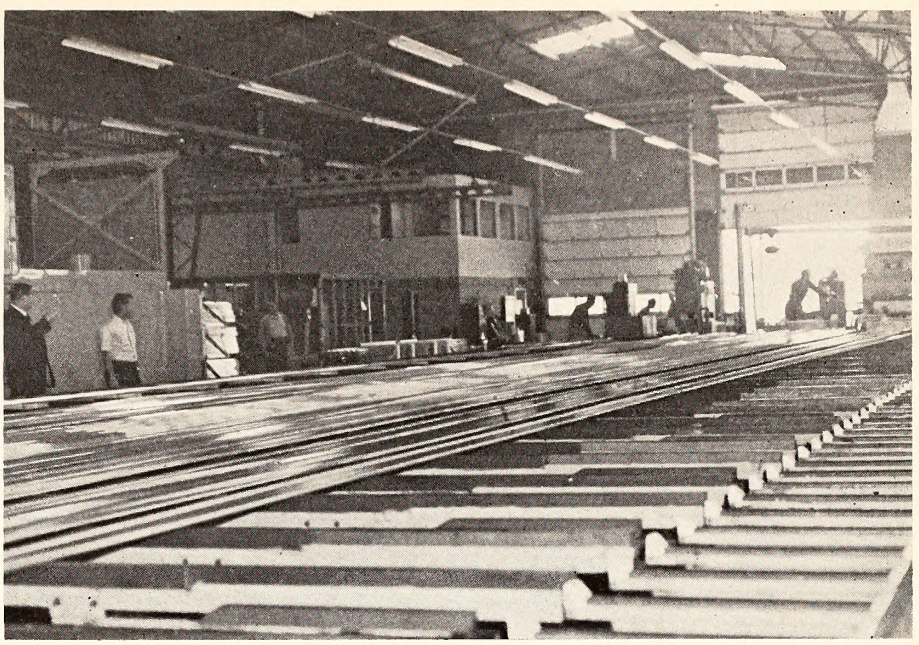
Chain drives for Saco Lowell Pickers.

Chain drives for Whitin Pickers.





Roxboro Produces Thousand Of Pounds Of Extruded Shapes



Roxboro Metal Products' production line cuts and fashions some 30 different aluminum products. The company employs over 300 people, about triple the number of workers who started with the company in 1959. Pittsburgh's Challenger Products is the parent company.

Many people are calling our era the "Aluminum Age." It is true that aluminum has "come of age" and is now an integral part of our lives. Everywhere we look we are made aware of the versatility of aluminum. Roxboro Metal Products is a part of the rapid industrial growth of North Carolina.

Roxboro Metal Products, located in Person County three miles south of Roxboro, was established in 1959; however, its origin dates back to 1948 when Sam Brourman and Charles Fischer established a small window and door manufacturing plant in Pittsburgh, Pennsylvania, under the name of Challenger Products, Inc. In 1958, the decision was made to move the manufacturing operations to Roxboro, North Carolina, under the name Roxboro Metal Products, maintaining Challenger Products as the parent company with headquarters in Pittsburgh.

Roxboro Metal Products has enjoyed rapid and continuous growth. In 1959, the plant occupied 80,000 square feet of floor space and employed 75 to 100 people. Expansion of sales and production facilities increased the number of employed. In 1962, 30,000 square feet of floor space was added to house a modern 1550-ton extrusion press. The number of employees again increased. Late this year, anodizing facilities will be completed enabling Roxboro Metal Products to extrude, treat, anodize, and fabricate storm windows and doors all under one roof.

From our extrusion press, thousands of pounds of extruded shapes flow daily to our production lines where they are cut and fashioned into some 30 different products. From the production lines, thousands of completed units weekly are rolled out to our shipping docks where they are loaded on company trucks for direct delivery to our customers as far west as Iowa, as far north as Minnesota and Vermont, and as far south as Florida.

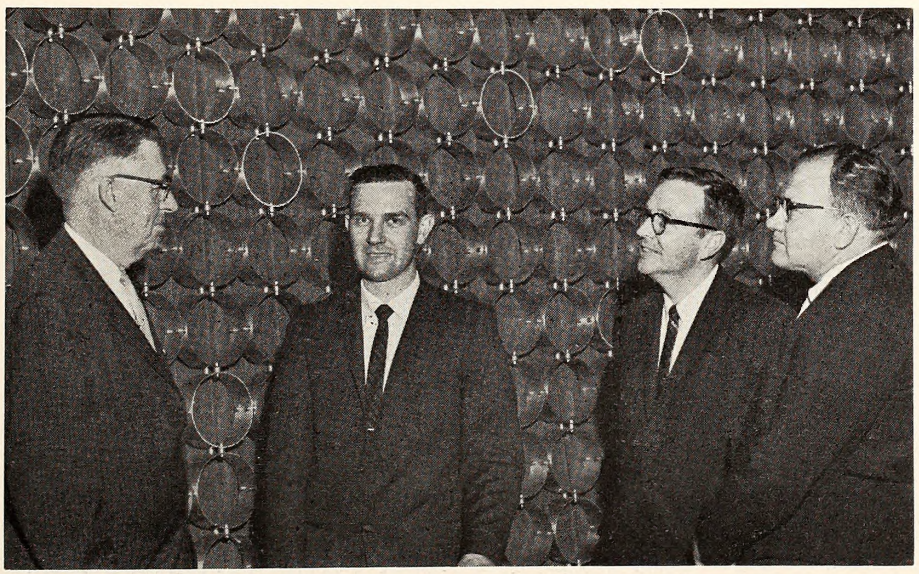
Today, Roxboro Metal Products employs more than three hundred people.

WILKINS

(Continued from page 23)

Company officers, in addition to Charles S. Wilkins, are: Edwin R. Lashley, first vice president; Robert O. Doss, vice president and sales manager; Glenn B. Gordon, vice president; Henry E. Underwood, vice president and shop superintendent, and Bradley E. Faircloth, treasurer.

Directors of the firm include Mrs. J. D. Wilkins, Sr., Dr. Robert W. Wilkins, Mrs. Davis C. Woolley and Charles S. Wilkins.



George B. Cherry (left), General Services Officer of the State Dept. of Administration, talks with Elmer Miller, Charles S. Wilkins and James Carter of the J. D. Wilkins Company about the anodized aluminum screen produced for the Senate chamber in the new State House.

SOUTHERN

(Continued from page 23)

stocking dealer for the Gates Rubber Company and can fabricate rubber-faced metal plates.

Southern Engineering also maintains a plant in Hickory Grove, N. C.

One subsidiary is Carolina Rebar, Inc., in nearby Catawba, South Carolina. It is a completely equipped shop with a capacity of over 500 tons per month of fabricated reinforced steel. With large stocks of welded wire mesh and other reinforced accessories, this subsidiary handles the sales of steel joists, metal forms, and other items associated with concrete construction.

Another subsidiary is Southern Erector, Inc., wholly owned by Southern Engineering. This plant maintains equipment and personnel to handle any steel erection problem.

In addition to the Southern Railway System and motor freight common carriers, the company maintains its own fleet of trucks including all classes of vehicles.

President Leslie G. Berry says of Southern Engineering, "These facilities depend upon the proper utilization by our highly trained and dedicated employees to give customers service, design and fabrication quality that they have come to expect from Southern Engineering Company."

World's Largest Producer of Dyeing Equipment

Reprinted From Bobbin and Beaker

Founded in 1921 by Robert F. Craig, well known textile executive and mill owner, Gaston County Dyeing Machine Co. has progressed from a small local shop to its present status of the world's largest producer of pressure dyeing and drying machinery. The founder felt that a county with more than 100 textile mills within its borders would be well known throughout the textile world so the firm was named for the county in which it is located. The present management includes two sons and two grandsons of the founder.

In the early days all equipment was made of cast iron, which was inexpensive and had many good qualities, but it also had many disadvantages for wet-processing equipment. During the 1930's it became apparent that some corrosion-resistant and stain-resistant metal would be necessary to replace cast iron for dyeing operations. After experiments with brass, aluminum and monel metal a decision was made to try a new type of metal being developed in steel mill laboratories. This proved to be a wise move since the new metal was stainless steel, which is now widely accepted for processing equipment.

In 1940 Gaston County introduced the first automatically controlled dyeing machine. With today's emphasis on automation it is difficult to realize that less than 20 years ago it required a real selling job to convince mill management that automatic controls were necessary and worth the additional cost. Since those pioneering days many types of controls have been developed so the dyeing machine of today performs its function with a minimum of attention from personnel who operate the dyeing machinery.

In 1950 Gaston County pioneered the development of machines for high temperature, high pressure dyeing of man-made fibers. This development assumes greater importance each year as more new fibers come from the laboratories and production plants of the large chemical companies.

A new concept of yarn package drying was introduced to the American textile industry by Gaston County in 1956. Closed system, static pressure, rapid dryers are now accepted as the most efficient method of drying available. Completely automatic in operation, these machines will dry 500-pound batches of yarn in approximately one hour as contrasted to six to 18 hours required by older types of yarn dryers. Heated air under high pressure (75 PSIA) is circulated through the yarn at a temperature of 280°F or higher and the moisture from the yarn is condensed and trapped from the closed system without loss of air pressure. In addition to the obvious advantage of fast production, this equipment improves yarn quality due to short exposure to heat and the elimination of yarn contamination from the atmosphere. It has a lower operating cost per pound of yarn processed than any other type of drying.

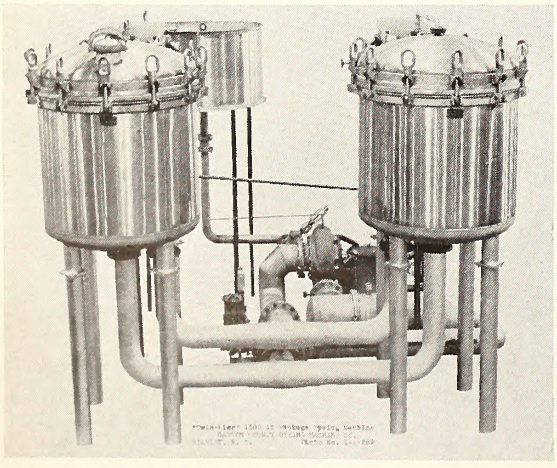
Although the company has specialized in package and beam dyeing and drying equipment during its entire history of more than 40 years, it also produces pressure dyeing machines for fabrics, autoclaves for heat setting, raw stock dyeing machines and special machinery, custom built to customer requirements.

Plant facilities include new fabricating and assembly plants completed in 1958 and 1961 and equipped with the most modern material handling equipment and metal working machinery such as plant shears, forming rolls, press brakes, punch presses and automatic welding machines.

The machine shop has been expanded to include the area formerly occupied by fabrication and assembly operations. Since the company produces centrifugal pumps, centrifugal blowers, special valves and other machined parts for use on its dyeing machines and dryers, the shop is one of the most complete and modern in the South. It is equipped with late model heavy duty machine tools necessary for machining stainless steel. This equipment includes many sizes of engine lathes, horizontal and vertical turret lathes, milling machines, horizontal and vertical boring mills, radial drills and a variety of other machines. The shop is able to handle machine work on pieces up to 16-ft. diameter. Because of the scarcity of large machine tools in the South, other shops in the area as well as textile mills and power plants often call on Gaston County for assistance in machining large metal parts.

Gaston County sales engineers, with a combined total of 300 years of experience in serving the textile industry, are well informed and can be very valuable to mills in planning new installations or modernization and expansion of present facilities.

A large staff of engineers and technicians at the home office assist the field force of sales engineers in providing the best machinery designs for individual mill requirements. Every installation is tailored to suit the production requirements of the purchaser.



Gastonia County Dyeing Machine company produces the "Twin-Kier" 1500-lb. package dyeing machine, a popular, high pressure machine with the textile industry. On the right is depicted a typical installatian af dyeing machinery in a textile plant. The company is ideally located in the center of the Tar Heel textile manufacturing area and has grown to be the world's largest producer af pressure dyeing and drying equipment.

The following manufacturers are the fabricated metal products makers in North Carolina who are covered under the State's Employment Security Law. Any employer who employs four or more workers for as many as 20 calendar weeks of the year is liable to the State for payroll contributions on $3000 of each worker's earnings. They are required to report quarterly to the Employment Security Commission the number of employees and their wages. These quarterly reports provide the listing of each covered employer in North Carolina, and the listing below include the five industry code categories of fabricated metal products manufacturers. The listing was made from these employers' quarterly reports.

While some metal products manufacturers may not be included in this directory, since only those companys employing four or more workers are included, it nevertheless indicates a true picture of the metal products industry in the Tar Heel State. It is one of no little significance because the group provides a major supply of machinery and fabricated metals to the entire United States. Worthy of note is that machinery produced in North Carolina is indignous to the State, and of equal importance is that our metal products distribution is not restricted to North Carolina.

NORTH CAROLINA FABRICATED METAL PRODUCTS MANUFACTURERS

Taken From Employers' Quarterly Wage Reports

1. Fabricated Structural Steel

2. Metal Doors, Sash, Frames, Molding, Trim

3. Fabricated Plate Work

4. Sheet Metal Work

5. Architectural & Misc. Metal Work

COMPANY	ADDRESS
Portalum Ind.	Charlotte, N. C.
Kinco Corporation	Asheville, N. C.
Virginia Metal Product	Orange, Va.
Babcock & Wilcox Co.	New York, N. Y.
King Rfg. Mfg. Co.	Sanford, N. C.
Lockhart Mfg. Co., Inc.	Charlotte, N. C.
Metal Products Mfg. Co.	Rocky Mount, N. C.
Car Ventilated Awning	Salisbury, N. C.
Cast A Stone Inc.	Raleigh, N. C.
Dave Steel Co., Inc.	Asheville, N. C.
Hickory Steel & Iron	Hickory, N. C.
Carolina Steel Corp.	Greensboro, N. C.
Mitchell Becker Co., Inc.	Charlotte, N. C.
Mecklenburg Iron Works	Charlotte, N. C.
Soule Steel Iron Co.	Charlotte, N. C.
Peden Steel Co.	Raleigh, N. C.
Piedmont Metals	Burlington, N. C.
Burlington Awning Co.	Burlington, N. C.
Tom Wall & Son Inc.	Wadesboro, N. C.
Clarkton Steel Inc.	Clarkton, N. C.
Modern Metals Inc.	Hudson, N. C.
Link Iron Works	Hickory, N. C.
Catawba Sheet Metal Co.	Hickory, N. C.
Car Steel Fabricating	Hickory, N. C.
Hercules Steel Co., Inc.	Fayetteville, N. C.
Binnings, Inc.	Lexington, N. C.
Metalcraft Fabrication	Durham, N. C.
Trinity Steel Co., Inc.	Dallas, Tex.
Williams Mfg. Co.	Rocky Mount, N. C.
Salem Steel Co.	Winston-Salem, N. C.
Aluminum Awning Prod.	Winston-Salem, N. C.
A & C Metal Prod. Co.	Winston-Salem, N. C.
Swaim Ornamental Iron	Winston-Salem, N. C.
Owen Steel Co.	Gastonia, N. C.
J. D. Wilkins Co., Inc.	Greensboro, N. C.
General Metals Inc.	Greensboro, N. C.
Reco Tanks, Inc.	Greensboro, N. C.
High Point Boiler	High Point, N. C.
Perma Shade Awning Co.	Greensboro, N. C.
Southern Air Condg. Cor.	Greensboro, N. C.
M. D. Bean Sheet Metal	Greensboro, N. C.
Metaledge Moulding	Greensboro, N. C.
Walker Iron Works	Greensboro, N. C.
A B C Jalousie Co. of N. C.	Greensboro, N. C.
Edmunds Mfg. Co., Inc.	Greensboro, N. C.
Car Al Prodt. Distr. Co.	Greensboro, N. C.
Greensboro Awning Co.	Greensboro, N. C.
Howell Iron Works	Greensboro, N. C.
Truitt Mtl. Fbrctr.	Greensboro, N. C.
Andco Building Spec.	Greensboro, N. C.
Trans American Steel	High Point, N. C.
Cogia Ind. Inc.	Greensboro, N. C.
Howell Steel Service	Weldon, N. C.
Youngstown Mfg., Inc.	Youngstown, Ohio
Petroleum Tank Co., Inc.	Kenly, N. C.
Winter Seal	Kinston, N. C.
Industrial Steel Co.	Charlotte, N. C.

COMPANY	ADDRESS
Charlotte Tank Corp.	Whippany, N. J.
Metal Fabricators Inc.	Charlotte, N. C.
Marko Engineering Co.	Charlotte, N. C.
Charlotte Ornamental	Charlotte, N. C.
Refabco, Inc.	Charlotte, N. C.
Alexander Tank & Equip.	Charlotte, N. C.
Trammell Awning Co.	Charlotte, N. C.
Carolina Metal Product	Charlotte, N. C.
James Ornamental Iron	Charlotte, N. C.
Avret Metal Products	Charlotte, N. C.
Mesco Metal Works Inc.	Charlotte, N. C.
Deyton Sheet Metal Co.	Charlotte, N. C.
Southern Engineering	Charlotte, N. C.
Metalvent Home Impr. Co.	Charlotte, N. C.
Bethlehem Steel Co., Inc.	Charlotte, N. C.
Moss Supply Co.	Charlotte, N. C.
Steelfab Inc.	Charlotte, N. C.
Piedmont Plating Co.	Charlotte, N. C.
Florida Steel Corp.	Charlotte, N. C.
Carolina Rebar Inc.	Charlotte, N. C.
Century Steel & Iron	Charlotte, N. C.
Armstrong McGinnis	Charlotte, N. C.
Harmel Mfg. Co.	Charlotte, N. C.
Htg. & Cooling Equip.	Charlotte, N. C.
Car Fabricators	Charlotte, N. C.
Suppliers To Whslers	Charlotte, N. C.
Racehorse Shoes, Inc.	Pinebluff, N. C.
Eastern Steel Products	Rocky Mount, N. C.
The Babcock & Wilcox Co.	Wilmington, N. C.
Tenney Engineering Inc.	Union, N. J.
Hurricane Fence Co.	Wilmington, N. C.
Roxboro Metal Products	Pittsburgh, Pa.
Crown Aluminum Ind.	Roxboro, N. C.
Prevattes Alum. Works	Lumberton, N. C.
General Steel Tank Co.	Reidsville, N. C.
Colonial Steel & Iron	Salisbury, N. C.
Bowers Metal Prod. Co.	Albemarle, N. C.
Alexander Welding	Raleigh, N. C.
Atlas Steel Products	Raleigh, N. C.
Bethlehem Steel Co., Inc.	Raleigh, N. C.
Florida Steel Corp.	Raleigh, N. C.
Armco Steel Corp.	Middletown, Ohio
Swain Awning & Mfg. Co.	Raleigh, N. C.
Steel Fbrctg Wldg. Co.	Magnolia, Ark.
Car. Iron Works, Inc.	Raleigh, N. C.
Jacobs Sheet Mtl. Co.	Raleigh, N. C.
Dixie Iron Works	Garner, N. C.
Miller Industries Inc.	Boone, N. C.
Turner Equip. Co., Inc.	Goldsboro, N. C.
Ind. Sheet Mtl. Fbrcts.	Goldsboro, N. C.
General Industries, Inc.	Goldsboro, N. C.
Overcash Machine Shop	Statesville, N. C.
Asheville Steel Salv.	Asheville, N. C.
Union Corrugating Co.	Fayetteville, N. C.
Witten Metal Products	Gastonia, N. C.
Ingram Brothers, Inc.	Wilmington, N. C.
McGee Awning Mfg. Co.	Monroe, N. C.
Synergetics, Inc.	Raleigh, N. C.

ESC CHAIRMAN ANSWERS CHARGES ON COLLEGE PLACEMENT

Recent publicity defaming the United States Employment Service indicates that a campaign to discredit the public employment system has reached the desks of North Carolina college placement offices and other personnel officials.

Attempting to dissuade Congressional budgeting, critics claim the United States Employment Service is bureaucratic, bent on elbowing its way into private efforts, and insist that state employment offices are neglecting the unemployed and have no business in professional job placement. They forecast impending machine accounting of human resources, misuse of public funds, empire building, and impersonal job placement, and their campaign employs the basest methods of public persuasiveness—distortion.

Apparently their charges are glibly accepted. *Life* magazine has just reported that the United States Employment Service smacks of pork-barrelism, and that "unemployed laborers are being directed to report to separate offices in the slums."

The North Carolina Employment Service is a division of the State Employment Security Commission which is affiliated with the USES, as is every state employment security agency across the country, and criticism of the USES casts suspicion and points an accusing finger at the activities of each one of these 50 state employment service programs.

Yet, in North Carolina we have no evidence that persons echoing these sentiments have even attempted to find out if they are true or false!

In light of the cooperation and exchange of information enjoyed by our State Employment Service and college placement officials in North Carolina, the implication in the July issue of the STATE COLLEGE NEWS that the State will muscle its way into the college placement field and dispatch our graduates to unknown employers is particularly disheartening.

There are no State Employment Service representatives registering and recruiting students on any Tar Heel college campus, nor will there be unless their assistance is considered necessary and is requested by college administrators.

The Bureau of Employment Security, which is a division of the U. S. Department of Labor, has disclosed that from 2,008 colleges and universities in the country only 48 have a representative of the state employment service on campus and in every instance employment service assistance was requested by college officials.

In 1962 the N. C. Employment Security Commission's publication, the ESC QUARTERLY, featured our State's colleges and universities. Fifty institutions answered our inquiry and from the articles submitted by college information people and placement officials it became apparent that college job placement activities are excellent. It was also noted that these job placement offices, while not on every North Carolina campus, are included in college expansion plans and 18 percent more colleges have placement services available to students than do not.

Yet, a large segment of college graduates, dropouts and undergraduates seek employment through State employment offices, and any efforts to enhance the opportunity for these job seekers supplement but do not displace existing college placement offices.

This article by Henry E. Kendall, Chairman of the ESC, was originally printed in the July issue of the STATE COLLEGE NEWS. It was written by Kendall after the appearance of an article in that publication criticized alleged federal and State intervention in college job placement activities.

The Employment Security Commission is in statewide contact with employers and employing groups, thus is in a knowledgeable position of labor market developments and trends. This is information not readily available to a great degree for lots of college placement officials. Why not combine the best of the two programs?

With its facilities for testing and counseling and its awareness of employer needs and labor market conditions, the public employment program can provide assistance to students of small colleges and two-year institutions which do not have placement services or do not attract many recruiters. There are some employers who cannot justify the expense of visiting a number of colleges to recruit topflight graduates. How many employers can send representatives to 250 colleges each year to interview more than 4,000 graduating seniors as did one employer who is a member of the College Placement Council?

The USES has been described as a master agency with electronic devices matching job orders and applicants with impersonal, punch-card precision. Yet the United State Employment Service does not test, interview, counsel or place a single job applicant, nor does it obtain orders for job openings except in the District of Columbia where there is no state employment service. There is a federal-state system, under the 1933 Wagner-Peyser Act, which includes 1,900 local public employment offices operated and administered by the 50 states. Critics of the program are careful not to attack individual states, but prefer to accuse USES of neglecting the unemployed and centering its attention on employed individuals, indicating that states receive more "points" for professional job placements which can be turned into dollars and cents when new budgets are approved.

This is radically untrue. There are no separate "employment" and "unemployment" offices in North Carolina. In some instances, the State Employment Division and the Unemployment Insurance Division are separated, but in each case they occupy the same quarters and operate under a single office manager. Every unemployed person who files a claim to receive unemployment benefit payments must register for employment, must seek employment and accept referrals to jobs. Last year North Carolina paid over $38,600,000 to eligible jobless workers who filed claims for unemployment insurance. The State Employment Service placed 160,000 persons in non-farm jobs and recruited agricultural labor for approximately 600,000 farm jobs.

Of the job applicants who are registered with public employment offices, between 85 and 95 percent are unemployed. A nationwide survey of placements in the week of May 19, 1963, showed that about 97 percent of job placements that week were of unemployed workers.

The USES has also been denounced for "dipping into the taxpayers' pocket" to develop, establish, and operate college placement programs.

No money in federal budgets is designated for college placement programs. Money is not appropriated for the United States Employment Service from general U. S. Treasury funds, but is collected under the federal Unemployment Tax Act, set aside as a special earmarked fund to be used only for the administration of unemployment insurance and employment service programs, and appropriation is made from this fund by Congress.

(See USES, Page 57)

GODWIN RETIRES, BURTON and KELLER NAMED TO VES POSTS

Ruffin C. Godwin, State Veterans Employment Service Director for North Carolina, retired from federal employment in 1963 after 30 years of veterans employment service work.

Godwin, well-known figure in both State and federal veterans circles, was a past State Commander of the American Legion and was a National Vice Commander of the Legion in 1961. He was elected to this post at the Legion's 42nd annual meeting in Miami.

Born on a farm near Dunn, the son of Wiley and Delia Godwin, he was educated in the public schools of Harnett County, attended private schools and the Dunn Academy and Campbell College. He studied law for two years at Judge Pell's Law School in Raleigh. Afterwards he entered the insurance business as a claims adjuster.

A veteran of World War I, Godwin served in the U. S. Army and was discharged with the rank of corporal.

He joined the Donnerson-Hawkins Post 24 of the American Legion in New Bern in 1919, and held the offices of Post Adjutant and Post Commander. He has served as District Commander, Department Vice Commander, and in 1949 was elected Department Commander of the N. C. American Legion.

At the national level, he has been vice chairman of the Internal Affairs Commission, the Economic Commission, and the Trophies, Awards and Ceremonies Committee. He was the national Executive Committeeman for North Carolina in 1954-56.

In 1939 Godwin was appointed by the Secretary of Labor in the Roosevelt Administration as State Veterans' Employment Representative for North Carolina, and during his tenure as VER helped secure the passage of the N. C. Veterans Preference Act. He was responsible for veterans employment activities through the statewide, 54 local Employment Security Commission offices.

Godwin is presently serving as a consultant to the Veterans Employment Service. VES chief and longtime friend, Marshall C. Miller of Washington, D. C., said in a letter to the retiring Veterans Employment Service Director: "To enter, carry on, prosper and achieve under the best of circumstances is worthy of compliment; but when such is achieved under the constant 'battles' which you have fought—and a good fight it has been—for veterans of North Carolina, the Veterans Employment Service and the North Carolina Employment Service, commendation must be high. Soldier, politician, statesman, veteran leader, but perhaps most important of all, friend, all these you have been to the great and small in your native state and to the great organization of the American Legion."

When Godwin retired, he said "The real enjoyment (of the VES job) was the fact that I could help people find jobs, counsel with them and things of that respect. The next thing that pleased me most is that we could build a strong state agency to serve the veteran."

Godwin and his wife reside in New Bern.

His assistant, S. Marvin Burton, former VER at the Charlotte local office of the Employment Security Commission, was named Director of the State VES on September 1.

Like Godwin, Burton has years of activity in the American Legion and other veterans affairs. A veteran of World War II with Army service in Italy and Africa, Burton became associated with veterans' employment work with the old War Manpower Commission and then went to the Charlotte ESC office.

He was elected Vice Chairman of the Disabled American Veterans in 1950, and was elected State Commander of the North Carolina American Legion in 1960. In the same year, U. S. Secretary of Labor Arthur Goldberg appointed Burton to the federal post in Raleigh as assistant State VER. At the 1963 Veterans of Foreign Wars convention in Asheville, he was named the outstanding man of the year in service to veterans.

An Asheville man was promoted to the vacant assistant director post. He is Beach Keller, an 18-year State employee. Before receiving the federal appointment, Keller worked as the Veterans Employment Representative at the Asheville local ESC office since 1946. Active in Asheville veterans employment organizations and activities, he is a life member of the Veterans of Foreign Wars, the American Legion and Disabled American Veterans, and has held many offices in local, state and national veterans' groups.

The end of 1963 saw a shift in the administration of the federal-state Veterans Employment Service. Former Director R. C. Godwin (left) retired after 30 years service. The photo was taken as Godwin's colleagues honored his VES work. The right photo shows ESC Chairman Henry E. Kendall congratulating Godwin's replacement, S. Marvin Burton. Later (center photo) Godwin returned to Raleigh to administer the oath to Beach Keller, newly appointed Assistant Director of the State Veterans Employment Service. Both Keller and Godwin are former Veterans Employment Representatives at local ESC offices.

ESC Study Discloses Improved Employee Well Being But Wide Variation In Fringe Benefits

From the Bureau of Employment Security Research

LONNIE DILL, *Labor Market Analyst*

The growth of fringe benefit payments to North Carolina's manufacturing workers in recent years has improved employee well-being. It has also increased the cost of manufacturing in the State. As wage rates alone are not an adequate measure of labor costs, the Bureau of Employment Security Research periodically conducts surveys of the fringe benefit practices found in most of the principle manufacturing industries in the State. The report on the most recent such survey, "Fringe Benefit Practices In Manufacturing Industries of North Carolina—May, 1963," is designed for use alone or in conjunction with a study of wage rates for these industries. The current wage rate study is scheduled to be published during the early part of 1964.

There are many types of payments or privileges afforded employees of business firms which are sometimes referred to as fringe benefits. For the purposes of this study, however, benefit plans which applied exclusively to the administrative, executive, professional, sales, and office employees were not considered. Also, legally required benefit items such as Workmen's Compensation, Social Security, and Unemployment Insurance were omitted, since all surveyed firms were liable for these payments. Finally, fringe benefit items such as time off with pay for jury duty or military training, discounts on goods purchased from the company by employees, and others were deemed to be of such a minor portion of the over-all costs as to permit their exclusion from the study.

Some minor changes in the types of benefits included in the study have been made since the first fringe benefit survey was made in 1957. These modifications were effected to reflect changes which have occurred in the predominant types of fringe benefits provided by manufacturing firms, or to adjust the methods of presenting the data for greater accuracy.

Twelve general areas of fringe benefits were chosen from the 1963 survey for inclusion in the study: (1) paid vacations; (2) paid holidays; (3) paid rest periods; (4) non-overtime pay differentials for week-end and holiday work; (5) annual or semi-annual bonus payments; (6) savings or stock-purchase plan; (7) pay adjustment tied to cost-of-living index; (8) paid sick leave; (9) life insurance; (10) hospital insurance; (11) income protection plan; and (12) company plan for retirement pension.

Some 340 establishments, covering 42 per cent of the labor employed in 18 selected industries[1] and about 29 per cent of *all* covered manufacturing employment in North Carolina were included in the survey report.

Compared To Whole Industry

The fringe benefit practices of the surveyed manufacturing industries have been presented in a series of tables which show the number of sampled firms in each industry which do or do not provide the selected fringe benefits. Whenever appropriate, the tables indicate the extent to which the benefits are provided. The data are further arranged so that benefits provided by selected segments of an industry may be compared with the benefits provided by the whole industry. Other tables are included to present a comparison of fringe benefits by firm-size intervals, to indicate the geographical distribution of the firms which contributed the fringe benefit data included in the study, and to show the industrial composition of the sampled firms by size of employment.

The disparity between fringe benefits provided workers in different industries has sometimes been defended on the grounds that some types of workers prefer higher wages to increased fringe benefits. In some instances, such may be the case. A comparison of the 1963 fringe benefit practices report with the average weekly earnings of manufacturing employees reveals, however, that workers employed by North Carolina manufacturing industries paying the highest weekly wages, generally, are provided with the most fringe benefits. Thus the survey report reveals that workers employed in comparatively low paying industries such as apparel, food, furniture and textiles, are provided less fringe benefits by North Carolina manufacturers in almost every category included in the study than those workers employed in higher wage paying industries such as chemicals and electrical machinery. The most notable exception to this general rule was that manufacturing firms with low wage earners usually were more likely to pay an annual or semi-annual bonus to the production workers.

Summarized

The accompanying table, reproduced from the 1963 survey report presents the fringe benefit practices found in sampled firms in the machinery, except electrical, industry.[2] The wage earnings in this industry, while not the highest, are substantially above those for North Carolina manufacturing industries as a whole. Most of the firms included in the sample ranged in size of employment between 50 and 199 workers. The highlights of the report for this industry may be summarized as follows:

Over 50 per cent of the sampled firms granted two or more weeks of paid vacation each year to production workers having completed one to five years of service.

About one in five of the surveyed firms provided no paid holidays.

Extra pay for non-overtime work performed on holidays was provided by 75 per cent of the sampled firms.

Half of the surveyed firms paid an annual or semi-annual bonus.

No significant number of the firms sampled in this industry have yet provided plans for savings or stock purchase, pay adjustment tied to cost-of-living index, or paid sick leave.

Almost all of the sampled firms in the industry made some contribution to the costs of hospital and life insurance programs provided for production workers, and over 40 per cent of the firms paid more than half of the total costs of these programs.

Most of the firms sampled have not made available to the production workers income protection plans or company plans for retirement pension beyond that provided by Unemployment Insurance and federal old age benefits.

In making any comparison between the fringe benefits provided workers covered by this and other surveys, it is necessary to keep in mind that salaried employees were, as a rule, excluded from this survey. The fringe benefits listed in this study were, for the most part, those provided to production workers. Such fringe benefits

should not, for example, be compared with fringe benefits afforded office workers, since the latter group generally are required to perform certain tasks regardless of time spent away from the job. Production workers, on the other hand, are ordinarily paid only for the amount of work produced or the number of hours worked.

The study makes no attempt to compare the fringe benefit practices found in North Carolina with those found in other sections of the country. It does allow present and prospective North Carolina manufacturers in 18 specific industries, as well as others in many related industries, to compare their existing or proposed fringe benefit policies with those which prevail among a representative sampling of firms for most of the State's principal industries.

[1] Broad woven fabrics; hosiery; knitwear and knit fabrics; dyeing and finishing; yarn mills; men's, youths', and boys' furnishings and work clothing; women's, misses' and juniors outerwear; women's, misses', children's, and infants' underwear; miscellaneous fabricated textile products; food and kindred products; wooden household furniture; paper and allied products; chemicals and allied products; miscellaneous plastics products; glass products; fabricated metal products; machinery, except electrical; and electrical machinery.

[2] Copies of the entire study may be obtained from the North Carolina Employment Security Commission, Bureau of Employment Security Research, Raleigh, North Carolina.

NON ELECTRICAL MACHINERY

Establishments primarily engaged in manufacturing machinery and equipment other than electrieal or transportation equipment. The sample was limited to and selected from firms more specifieally identified by the four-digit standard industrial classification codes 3522, 3542, 3545, 3552, 3553, 3564, and 3591.

State-wide Total		Surveyed		Coverage (Per Cent)	
Establishments	222	Establishments	24	Establishments	10.8
Employment	9,730	Employment	4,560	Employment	46.9

TYPE OF BENEFIT	PROVISION BY SURVEYED ESTABLISHMENTS			
Paid Vacation				
Under 1 year service	More than 2 weeks 0	2 weeks 1	1 week or less 9	None 14
1 to 5 years service	More than 2 weeks 0	2 weeks 13	1 week or less 8	None 3
5 or more years service	More than 2 weeks 4	2 weeks 10	1 week or less 7	None 3
Paid Holidays	More than 5 days 3	1 to 5 days 16		None 5
Paid Rest Periods	More than 30 minutes 0			
	Between 15 and 30 minutes 15		Nonscheduled periods only 4	
	Totaling less than 15 minutes 1		None with pay 4	
Extra Pay for Non-Overtime Week-End and Holiday Work				
Saturday	More than double time 0		No differential 22	
	Double time or less 2		Not stated 0	
Sunday	More than double time 0		No differential 16	
	Double time or less 7		Not stated 0	
Holidays	More than double time 2		No differential 6	
	Double time or less 16		Not stated 0	
Annual or Semiannual Bonus Payments	Guaranteed 6	Amount determined each period 6		None 12
Savings or Stock Purchase Plan	Provided 3		Not provided 21	
Pay Adjustment Tied to Cost-of-Living Index	Provided 2		Not provided 22	
Paid Sick Leave	10 or more days annually 1		Only on individual basis 1	
	Less than 10 days annually 2		None 20	
Life Insurance	Employer pays all cost 6		Employee pays all cost 1	
	Employer pays more than half but not all 5		No plan 2	
	Employer pays up to half of cost 10			
Hospital Insurance	Employer pays all cost 5		Employee pays all cost 1	
	Employer pays more than half but not all 5		No plan 2	
	Employer pays up to half of cost 11			
Income Protection Plan	Employer pays all cost 2		Employee pays all cost 0	
	Employer pays more than half but not all 0		No plan 18	
	Employer pays up to half of cost 4			
Company Plan of Retirement Pension	Employer pays all cost 9		Employee pays all cost 1	
	Employer pays more than half but not all 0		No plan 14	
	Employer pays up to half of cost 0			

The following article about employment security's youth program and the problems of the future was published in a recent issue of the Employment Security Review and is reprinted here by permission of Robert C. Goodwin, Administrator, Bureau of Employment Security, Washington, D. C. The article spotlights an ever increasing national problem, that of youth unemployment. With unemployment already high among young people, there will be a staggering number of job-seeking teenagers entering the labor market during the next five years. This article points up again the increasing responsibilities of personnel engaged in employment security work and the more and more demands made on the public employment system.

Youth Employment Is Major Social Problem; 19 Million To Seek Jobs Between 1963-69

Helping young people to choose, prepare for, and obtain suitable employment is of vital interest and concern to our society. The President and government officials recognize that youth unemployment is one of the major current national problems. The seriousness of the situation is indicated by the fact that approximately 15 per cent of out-of-school youth between the ages of 16 and 21 are unemployed. This is about 2½ times the overall national unemployment rate. For several years, young people have accounted for nearly 25 per cent of the new job applicants at local employment offices, but for less than 14 per cent of the placements.

Recent high school graduates, school dropouts, and other youth entering the labor market need special help. They often know little about job requirements and have but a limited understanding of their own interests and capabilities. Many of them do not know where to begin to look for a job. During the 1962 school year, 2.3 million youngsters applied to local public employment offices for some type of employment assistance. Their problems present a major challenge to the federal-state employment service system.

Long before the Wagner-Peyser Act laid the foundations for a "national system of public employment offices for men, women and juniors," special junior divisions had been set up in the local employment service offices of a number of cities, notably Cleveland, Ohio, in 1917, and Brooklyn and Rochester, N. Y., in 1918. A junior division of the first USES, forerunner of the Junior Placement Service, was created in December, 1918, to give direction, encouragement, and some financial aid to cities carrying out such programs. These junior divisions provided guidance as well as placement service.

In 1925, the U. S. Department of Labor published "Vocational Guidance and Junior Placement," the material for which was prepared jointly by the Industrial Division of the Children's Bureau and the Junior Division of the USES. Among the topics covered were: "Classification on the Basis of Capacity;" "Kinds of Tests Employed;" "Preparation of Counselor;" "Child Labor Laws;" "Placement;" "Organization of Junior Placement Offices;" "Studies of Occupations and Industries;" and "Adapting Studies to Local Use." The study was based on youth employment services which, since the days of World War I, had been carried on in 12 major cities. It served as a guide in the expansion of the youth program. By 1930, junior divisions were being operated in about 30 cities, by either the public schools or the state or local public employment offices. The USES at that time worked through both agencies, since its field organization was limited to farm labor services.

Growth In Service

The new national system of public employment offices established under the provisions of the Wagner-Peyser Act absorbed the existing offices and proceeded to expand the scope of youth placement activities. Specialized junior placement service became available in a steadily increasing number of public employment offices.

A survey made jointly by the U. S. Children's Bureau and the USES revealed that, by 1937, 24 states and the District of Columbia had specialized services for youth in 82 local offices in 55 cities. Trained staff included 293 youth counselors. To a large extent, this growth in service was made possible by the National Youth Administration which underwrote the salaries of many of the counselors until the states were ready to take over. During the five-year period, July 1, 1934, through June 30, 1939, public employment offices made more than two million placements of youth under 21 years of age, about 12 per cent of placements in all age groups.

In the late 1930's a significant research study on the needs of young people seeking jobs and on the possible ways of meeting these needs was undertaken jointly by the USES and the American Youth Commission, a branch of the American Council on Education. The project covered a 21-month period and involved surveys in four metropolitan centers (Baltimore, Dallas, Providence, and St. Louis) and two rural areas (Franklin and St. Charles counties in Missouri, and Carroll and Frederick counties in Maryland).

Need For Counseling

In a review of 4,000 job applications taken in the Baltimore and St. Louis offices in connection with this study, it was found that a great majority of the youth applicants could not be assigned occupational classifications on the basis of either vocational training or work experience and, consequently, appeared to be in need of counseling. The percentage varied from nearly all of the 16-year-

"Recent high school graduates, school dropouts and other youth entering the labor need special help"

olds to almost half of those who were 21, yet less than a fourth of the group had actually received any vocational guidance.

To determine the nature of the vocational difficulties presented, all youth applicants who visited the St. Louis office during a specific week were interviewed and their particular vocational problems were tabulated into 10 common problem types. This list later became the basis of the counseling clues, developed as a guide to interviewers in recognizing counseling need. Part IV of the Dictionary of Occupational Titles covering entry occupations was first introduced in 1941 and proved a useful instrument in classifying youth according to their job potentialities.

War Experience

With the outbreak of World War II in Europe, the United States embarked on a large-scale national defense program accompanied by a rapid buildup of the Armed Forces, resulting in unprecedented labor demands and in more job opportunities for youth than ever before. School dropout rates increased. There were large-scale migrations from rural areas to the cities, particularly among young southern Negroes. As long as young people could readily find jobs, there was little concern over their need for vocational guidance, and special placement services for youth were largely abandoned.

Then, as cutbacks in war production were made with the end of hostilities, young people were among the first to be laid off. They found themselves unprepared, by training or experience, to find new jobs in the highly competitive urban labor markets.

The Midcentury White House Conference on Children and Youth, meeting in 1950, devoted considerable discussion to the problems of the employment of youth and their need for vocational guidance. A number of state supervisors of counseling and other employment service personnel concerned with youth counseling and placement participated in the deliberations, which resulted in recommendations for community action to strengthen services to youth and called for greater cooperation between the schools and the employment service.

School Programs

In the late 1940's, a number of states began to investigate the possibilities of placing high school graduates through cooperative efforts with the schools. Local offices were confronted at the end of school years with a seasonal peak placement job for those high school graduates seeking help from the employment service. The workload, of necessity, prevented full exposure of these young people to the variety of local office services available to them. Others did not come to the local offices at all. Consequently, great numbers of young people just out of school were engaged in aimless job hunting, without vocational guidance.

As cooperative programs with the schools evolved, it was possible to plan a year-round program of counseling, testing, dissemination of occupational and labor market information, and job development. Some features of such programs were in existence in many places before this. Lending impetus to this program on a national scale was the introduction of the GATB in local offices in 1947. Its use proved so valuable in indicating the potentialities of inexperienced, and not yet occupationally oriented young people that its application on a broad front seemed highly desirable. It became obvious that time and effort could be saved if group testing of students planning to enter the labor market upon graduation were conducted at the school. Group tests could then be followed by individual counseling interviews, either at the school or at the local office.

Guidelines For Employment

As a result of discussions at the National Conference of State Supervisors of Employment Counseling at Atlantic City, N. J., in March, 1950, and at the National Conference of State Supervisors of Guidance Services at Ames, Iowa, in September of the same year, broad guidelines for employment service-school cooperation were laid down. Policies and procedures for providing counseling, testing, and placement services to students about to enter the labor market were developed and put into operation.

The program called for the screening of high school senior classes by survey forms to determine which students planned to enter the labor market upon graduation and to identify those needing employment counseling, aptitude testing, and placement service. Guidance of college-bound seniors was considered the responsibility of the school, but these young people were invited to register with local offices for summer job placement service.

Other features of the local office-school cooperative program include: Furnishing occupational information to the schools; guidance talks to sponsored "career days;" proficiency testing at the school of students who will be seeking stenography or typing jobs upon graduation; and special services to school dropouts.

A number of informational pamphlets and booklets issued by the Employment Security have also played an important part in the school program. These include "The Road to the Right Job," "Two Is a Team," "How to Get and Hold the Right Job," "Job Guide for Young Workers," and "Choosing Your Occupation." These publications have been distributed to hundreds of thousands of young people.

School Droupouts

School dropouts are currently of special national interest and concern because youth without high school diplomas are at a great disadvantage in today's labor market. Technological changes, in both industry and agriculture, are eliminating many of the unskilled entry jobs formerly available to these young people. Since 1956, employment in "white collar" jobs has exceeded that in "blue collar" activities and continues to show

(Continued)

"They often know little about job requirements and have but a limited understanding of their own interests"

"Young people have accounted for 25 percent of new job applicants at local employment offices."

a rising trend. Job opportunities for skilled and untrained people, of any age, are rapidly decreasing.

As early as 1956-58, the Employment Security began to develop formal programs for serving youngsters who leave school, and to study ways of improving its services to them. A two-year project for school dropouts who were particularly difficult to place was undertaken in 1958 in Philadelphia. Youth selected for this project were from special classes for the retarded and from correctional institutions. They were given intensive employment services in cooperation with social work agencies, schools, and law enforcement authorities. During the period covered by the study, 782 of these youths were registered and counseled by local office staff and 376 placements were made of 240 individuals, a gratifyingly high proportion for such a difficult group. Much useful experience in serving school dropouts was accumulated.

Current Program

The current employment service program for school dropouts includes arrangements under which the schools either refer actual and potential dropouts to local offices or furnish periodic lists of names of such young people so that they may be sent call-in cards inviting them to visit the local office. In working with these youth, it is frequently possible to get them to return to school, if it appears that they have the ability to profit from further education and the school is willing to accept them. If the problem is one of financial need, the dropout may be helped to obtain a part-time job so that he can return to school and still earn some money. If it appears that full-time employment is best, the local office conducts intensive job solicitation, if necessary, to develop suitable job openings.

The cooperative school program has grown over the years and is well established. During the 1961-62 school year, local employment offices conducted such programs with 10,672 high schools, about half the number in the United States, with about three-fifths of the country's enrolled seniors. About 595,000 seniors were registered for some USES service, more than 370,000 were counseled, and 350,000 were tested with the GATB. Proficiency tests were also given to about 115,000 students who were seeking typing or stenographic work. Local offices made 129,400 nonagricultural placements of graduates; of this number, 93,200 were to jobs expected to last six months or more. Formal dropout programs with high high schools were being conducted in 45 States. Of the 49,100 dropouts registered, 45 per cent were placed in nonagricultural jobs.

Expanding Youth Services

The forward strides made in the counseling program of the federal-state employment service system in the early 1950's raised the quality of services for youth. The hiring of better qualified counselors resulting from higher recruitment standards, and progress in counseling methods and techniques, as well as in local office organization and management of this function, contributed much to improvement in the service to young job-seekers.

In 1956, special youth demonstration projects were established in four cities (Canton, Ohio; Charleston, W. Va.; New Albany, Ind.; and Topeka, Kan.). The purpose of these projects was to determine what could be accomplished in a two-year period, in areas which had not previously had a highly developed program for youth, by a full-functioning program applying all the best techniques developed up to that time. These projects demonstrated the soundness of the program and also provided some new ideas for improving it.

"Job Opportunities for skilled and untrained people, of any age, are rapidly decreasing."

State Services

Toward the close of 1961, the Employment Security initiated a drive to expand and strengthen local office assistance to out-of-school youth. Each state was called upon to establish a position of State Supervisor of Services to Youth and, in large metropolitan areas, an Area Coordinator of Services to Youth to assume responsibility for the direction of the program. Recommended job specifications for these positions were furnished to the states along with a variety of recommendations for state and local office action. A training unit was also prepared for the training of local office personnel. A 28-minute film on the dropout problem was developed and made available to the states for showing to high school students, parents, teachers, counselors, and the general public.

Two youth demonstration projects are currently underway in St. Louis, Mo., and Newark, N. J., with the general objectives of obtaining information on how an employment service should be organized and conducted in order to provide effective service to youth, and of obtaining information useful in the career development of youth.

Significant Developments

While it is much too early to assess the results of these projects, some significant developments can be noted. The setting up of a separate youth office (as in Newark) or a separate youth section (as in St. Louis) has resulted in a dramatic increase in youth applications in those cities. This is attributable, in part at least, to a greater willingness on the part of young people to use a service set up specifically for them than an office serving applicants of all ages. Youth placements in these two demonstration offices also have increased.

A different type of project is being conducted in cooperation with the Board of Education in Detroit, Mich. This is a study of school leavers (both graduates and dropouts) of two core-city high schools during the first ten months of 1962. It is expected that followup questionnaires, supplemented by personal interviews, will provide useful information on such subjects as: The characteristics of these school leavers, what has happened to them since they left, the relationship between school courses of study and kinds of work in which they found employment, and the effectiveness of any guidance and placement services rendered to them by either the school or the employment service. Youth needing further assistance will be advised of the facilities available to them in the local employment service office.

Pending Legislation

Both the Area Redevelopment Act of 1961 and the Manpower Development and Training Act of 1962 offer opportunities for unemployed youth to obtain needed training. Under both acts, the employment service is charged with the responsibility for the counseling, testing, selection, and referral of trainees to appropriate training courses and for placement and followup after training.

The purpose of the pending Youth Employment Bill, which has passed the Senate of the 88th Congress, is to provide useful jobs and training opportunities for young men and women between the ages of 16 and 21 whose need for employment is critical. The bill provides for the establishment of two separate programs:

1. Youth Conservation Corps

Under this program, boys would be available to perform work in conservation, reforestation, reseeding of range lands, improvement of watersheds, maintenance of roads and trails, wildlife control, and other soil

and conservation measures. Initial interviewing, counseling, and referral would be made through local employment service offices in cooperation with local public and private youth agencies, schools, and other organizations. The local public employment offices would have the final decision in selection of applicants. After six months to two years at the camps which would be set up for the corps if the bill is passed, the boys would return to the local offices in their hometowns for job placement.

2. Hometown Youth Corps

This part of the bill contemplates the development of federally assisted youth employment programs by state, county, or municipal agencies or by private nonprofit agencies, such as hospitals, which would be open to both boys and girls. Testing, counseling, job development, and job referral services would be maintained for enrollees in order to provide for an effective and orderly transition from the training program into useful full-time nonsubsidized employment.

Every serious study of employment and unemployment leads inevitably to the conclusion that the problems of youth in the labor market are already cause for concern and will grow rapidly worse.

Today's job situation is particularly bleak for boys without a high school diploma and especially so for minority group members. To a large extent, those having the greatest problems are those already underpriviledged. Large numbers of graduates of rural and small town schools must migrate to the cities to find work. These youth need help in determining their own potentialities as well as information as to where suitable jobs may be found and assistance in obtaining them.

Current problems will be compounded by the unprecedented numbers of young people, born in the years following World War II, who will soon begin their labor market experience—about 19 million between 1963 and 1969. By the end of the 1960's, young jobseekers will be entering the labor market at the rate of three million a year, compared with two million at the beginning of this decade. They will be coming into the labor market in which the unemployment rate of young people is already excessive, and hiring specifications will call for higher levels of education and skill than many of them will be able to offer.

Serving these large numbers of young jobseekers will place a heavy responsibility on the employment services and will require the best efforts of a dedicated and professionally trained staff. The potential of youth, who hold the key to the solutions of tomorrow's manpower problems, must not be lost.

Long Time Raleigh ESC Manager Retires; Served Commission 30 Years In Same Office

By June Grimes, *Staff Writer, Raleigh Times*

When Lee J. Craven came to the Employment Security Commission, it was housed in an open-faced brick shoe box of a building.

That was 30 years ago. Craven retired October 31 from his position as manager of the Raleigh ESC office, 30 years to the day after he began working for them as a general clerk on Nov. 1, 1933.

"I came with the service when it was just three months old," he said. It was called the National Re-employment Service then and had been commissioned to assist in the re-employment of World War I veterans.

The original office was on South Salisbury Street. It was an open store, "just like a shoe box of bricks," Craven said. "We had two or three tables and some old wooden chairs and we used shoe boxes and cigar boxes as files. Bare bulbs lighted the 60 by 16 foot wooden floored interior.

In the office, Craven began work as a general clerk. "They paid me $7 the first week. It was $14 the second week, but they quit doubling after that," Craven said. This was during the middle of the depression, and college graduates were lucky if they made $100 a month.

Craven was promoted to a recording clerk, then to a statistician and then to junior interviewer, senior interviewer and counselor. He was assistant manager under four different managers before he was promoted to manager in 1948. He has been the manager ever since.

As Craven moved up, "The office changed sites almost as many times as I changed jobs," he said. There were two staff members when he started. Today, the commission employs 40 people.

The present location of the ESC on Hargett Street has 10 private offices and 11,000 square feet of floor space. The soft green walls, block tiles and modern lighting are far removed from the original brick and wood of the first office.

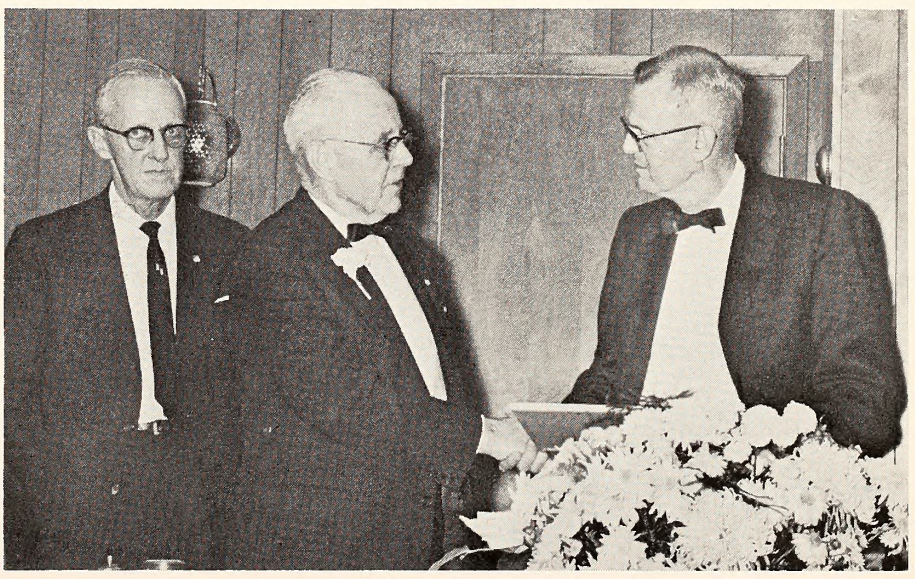
Craven came to Raleigh from Randolph County and attended King's Business College from which he was graduated in 1914. From 1914 to 1923, he kept books for Dillon Supply Co., King Drug Co. and the Pine State Creamery. He then sold life insurance for 10 years, until 1933.

Now 70 years old, Craven doesn't act a day over 50. He said he works in his yard to keep in good condition. His father was more than 89 when he died and Craven had a sister who lived to be more than 100.

For the future, Craven plans to find part-time work to supplement his retirement income. He hopes to work half a day, if possible: "probably some kind of work in the bookkeeping field."

"The rest of the time I'll spend on the yard at home," he said.

He is a member of the Raleigh Chamber of Commerce, the Lion's Club, the Raleigh-Wake Personnel Association and a member of the Board of Directors of Hayes-Barton Methodist Church.



At an honorary dinner at Ballentine's Restaurant in Raleigh, Lee Craven (center) receives his 30-year certificate from ESC Chairman Henry E. Kendall. Employment Service Director J. W. Beach watches the ceremony. The retiring office manager started with the ESC as a general clerk in 1933 and was promoted to manager of the Wake County office in 1948.

DURHAM

A Labor Market Study by LOUIS BERINI,
Manager, Durham ESC Office

Between 1955 and 1960 the basic economic supports of Durham took on a very significant and important shift, one which was long in coming and very much needed.

What was this shift?

First, let's review briefly an important employment development which occurred in this country during 1956. For the first time in our nation's history, the number of white collar workers exceeded the number of blue collar workers. It was during this year that a quiet and significant swing took place from total employment in production of goods to total employment in the service industries.

It is estimated that in 1940 national employment in goods output was almost one-sixth greater than in the service industry. By 1956 employment in the service industries had equaled and passed employment in production of goods and authorities anticipate that by 1970, service workers will number 35 percent more than production or blue collar workers.

I believe the national trend of employment from production of goods to service industries can be traced to the Durham area, perhaps on a more noticeable and significant basis.

It has been stated that the basic economic supports of any city depend upon the volume of goods and services which a community can produce and which are useful to people. Thus the growth and economic health of any community depends on the extent to which it can command income from beyond its boundaries. For 65 years Durham's basic source of employment and income has been from the manufacture of goods. Rising employment in cigarette, tobacco and textile product industries brought a growing demand for stores, lawyers, schools, doctors, shoe repairmen, etc., and many other services in the Durham of the 1890's.

Between 1945 and 1955, there were signs that the rise in manufacturing employment, which had shown a steady rise from an estimated 3,000 to 3,500 workers in 1895 to 12,500 or 13,000 by 1951, had spent itself. There were other manufacturing industries which were moving in to take up some of the slack. Machinery, paper and similar products, food processors, curtain and drapery manufacturers were all coming to Durham and boosting employment.

But these industries did not take over the strong economic thrust which tobacco, cigarette and textile products had furnished Durham during the past 50 and 60 years.

Service Group Gaining

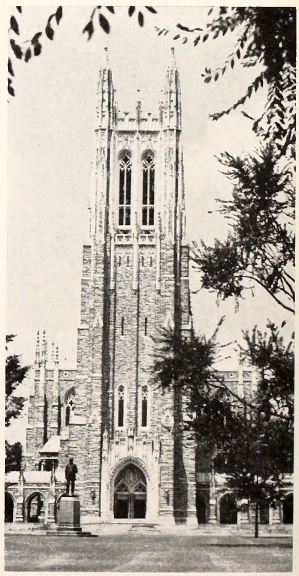
It was during 1945 that the significant and important shift in Durham began in earnest and by 1950 it had become clear that service industries in the Durham area had developed into an important economic base of the city as a result of slow but steady employment growth in this group of industries. By August, 1963, total employment in the service industries was estimated at 10,000 workers compared to 11,750 employed by all manufacturing industries. Only two years ago total employment in manufacturing stood at 12,000 workers compared to 9,000 employed in the service group. The service groups were gaining employees while the manufacturing industries remained stable or showed slightly declining employment.

At last, Durham had two instead of one basic sources of employment and income—manufacturing and service. Our conclusion is based on studies of statistics on current employment supplied by the Employment Security Commission and reports received from 110 local establishments on a bimonthly basis since 1950. These reports deal with employment trends and represent a good cross section of Durham County's industry.

In our analysis, manufacturers include industries which produce cigarettes and tobaccos, textiles, hosiery, machinery, chemicals, electrical machinery, curtains and draperies, molds and other specific products. The service group includes establishments primarily engaged in rendering a wide variety of service to individuals and business concerns. Educational services (university and college), medical and other health services (hospitals), research and development activities (profit and non-profit), amusement and recreation, legal services, miscellaneous repair services and a number of others are included in this group.

The total annual payroll generated in Durham is estimated to be approximately $133,000,000. This figure is taken from employers who are covered under the State's Employment Security Law and from Duke Hospital and Duke University and other non-profit groups.

Duke University and Hospital have an estimated annual payroll which exceeds $20,000,000! With an enrollment which approaches 7,000 students, Duke University is Durham's largest employer. It is one of the south's most highly credited educational institutions and through its hospital is a southern center of medical research. Value of land, buildings, equipment, library books and construction in progress at the Univeristy is estimated to be over $77,270,000.



Duke Chapel, a familiar Durham landmark. Durham's largest employer, with a $20 million annual payroll, the University greatly influences the city's economic conditions.

Dual Economy

What of the future? The fact that Durham now has two basic employment and income industrial groups is regarded as an excellent and historical development for the future of our economy. Unusually stable during the depression years, our economy may now broaden its base and may be expected to show even more stability and a much stronger growth rate than in the past. Possibly, if service group employment continues at its present pace, this industry group may pass manufacturing in employment and thereby become more important to the local economy because it will furnish the chief economic thrust of the community.

Development Of Service Industry

How will the service industry develop? Since the end of WWII there has been a tremendous and increasing emphasis placed on research and development throughout the nation. According to the National Science Foundation, total outlays for research and development in our country has risen from $3.4 billion in 1950 to more than $18.5 billion in 1963. These figures include the total research bill from industry, government, and universities. Undoubtedly this activity will continue its growth during the 60's and 70's. But what has this to do with future employment trends in our area?

Duke University has participated in research and development activities for a considerable length of time, of course. It is also well known that the Durham-Raleigh-Chapel Hill areas are entering the research and development fields on a serious level through the establishment of the Research Triangle Center. The Chemstrand Research Center and the Research Triangle Institute are located in this area.

During the next five or 10 years many more research and development establishments will be located within the Research Park, and these establishments may expect to receive their share of the increasing billions of dollars which are budgeted by corporations, governments and universities for research and development. Not only do we expect employment to rise because of this increased activity, but the volume of purchasing power coming from this industry is expected to be much greater than from manufacturing and other industries.

Employment at hospitals is expected to continue its steady increase in subsequent years. New and established hospitals are adding space to take care of medical and health needs of local and national population.

Local educational institutions, particularly Duke University, are expected to continue their steady plant expansion, thus requiring more and more personnel.

Automotive and miscellaneous repair services are expected to maintain a steady employment growth.

Barring any unforeseen development Durham's economy is expected to continue as a major thrust to our economy, although if it maintains its present employment growth, manufacturing will possibly be relegated to an important second place behind the steadily growing service industry group. Consequently, it is anticipated that Durham's economy during the next two decades will be propelled by a "two piston" economy—one the service group, the other, manufacturing.

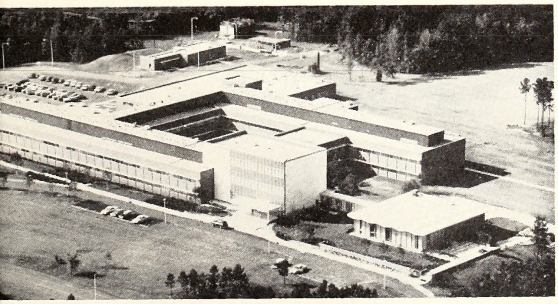
How would such a development affect the job outlook and dependent industries in the area? With technological improvements continuing in the manufacturing industries, the need for semi-skilled and unskilled workers will possibly decline. This is a national trend. However, the need for certain skilled workers such as mechanics, metal machine operators, carpenters, electricians, refrigerator and appliance servicemen, brickmasons, sheet metal workers, plumbers, and electronic specialists is expected to increase sharply during the next 10 years.

In the clerical and sales field the need for sales people, stenographers, typists, bookkeepers, stock room workers and shipping clerks will be strong. Among professional workers, teachers, nurses, draftsmen, store and office managers, social workers, technicians and research workers and assistants will be in strong demand.

Also, a large group of workers will be needed in service work such as janitors, nurses aides, groundkeepers, etc. Industries expected to benefit by a dual-industry economy are wholesale and retail trade, financing, real estate and insurance, construction, govern-

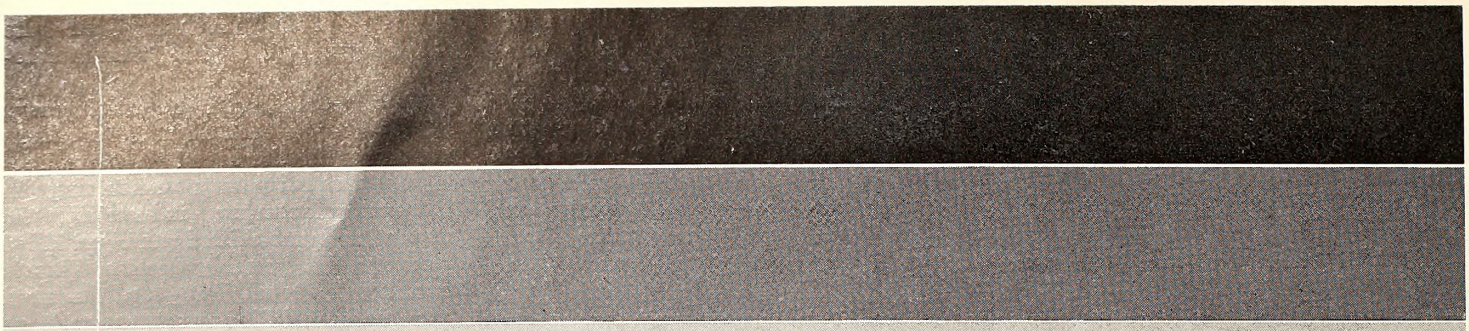
(See DURHAM, Page 57)

The economic and employment picture of Durham and the county is heavily involved in tobacco. With North Carolina ranked as the number one tobacco products manufacturing state, Durham is one of the Tar Heel centers of this activity. Pictured above is the American Tobacco Company plant, a primary contributor to employment in the area.



The author reports that Durham's economy is becoming a "dual" situation and he cites the presense of the Research Triangle as evidence of increasing activity in "development field on a serious level." The photograph above shows the Chemstrand Research facility in the Research Park, a company which helps diversify the Durham labor market area.

The rich aroma of tobacco manufacture prevails over Durham, and the Liggett and Meyers Tobacco Company is a popular spot with visitors to the area. For 50 or 60 years tobacco, cigarette and textile products have furnished the major economic basis for Durham, nationally known as a leading N. C. tobacco market.



Negro Employment In North Carolina

BY DR. JAMES T. TAYLOR

Vice Chairman, Governor's Good Neighbor Council

North Carolina is one of the nation's fastest growing areas. Industry and business within the State are expanding and new firms are coming in from other states and foreign countries and many jobs are being created. According to a recent study by the Bureau of Employment Security Research, "The State's industries will need an anticipated 232,964 more workers by June, 1966. Of this number, 34,340 must be skilled tradesmen and technicians."

In North Carolina Negroes represent about 25 percent of the population. Of the 1,605,478 persons employed in the State, 1,257,530, or 78 percent, are white. Negro workers number 347,948, or over 21 percent of the labor force. For the most part these Negroes are employed in job categories requiring minimum skills and educational qualifications, and because of this the Negro workers in North Carolina are generally among the lowest paid of those employed.

Also, the unemployment rate among white workers in North Carolina is 2.9 percent and among the Negroes, eight percent. Negro unemployment in the State is 2.4 percent higher than the 5.6 percent national unemployment ratio.

These employment factors have been a great handicap to Negro families seeking to raise their educational and cultural levels to a point in keeping with the demands and expectations of the promise inherent in our Democratic way of life.

Many Negro parents were unable to acquire the necessary educational experience and skills to qualify them for higher type and better paying jobs. They believe the best way to assure higher pay and better job opportunities for their children was to send them to high school and college. Thus, Negro parents, using their meager earnings, sent their children to college and hoped that this training would lead to better paying jobs and to an improvement in the economic and cultural life of their children.

In search for suitable employment, however, Negroes encountered what I believe to be a wide-spread notion that Negroes should be restricted to certain job categories. They met discriminatory employment practices, discriminatory apprenticeship policies from labor unions, and the general lack of opportunity to acquire the crafts and technical skills which industry and business need.

Therefore, Negroes who were qualified by education and training for better jobs were forced to take their skills and training elsewhere, although North Carolina tax monies had to a great degree provided the opportunity for their training. Discriminatory policies adversely affected the Negroes' morals and the State's economy.

To cope with this situation, Governor Sanford made the following statement during a speech at Chapel Hill on January 18, 1963: "Reluctance to accept the Negro in employment is the greatest single block to his continued progress and to the full use of the human potential of the Nation and its states."

During this same address the Governor announced the establishment of a Good Neighbor Council and charged it with the task of encouraging employment of qualified people without regard to race, and to encourage Negro youth to become better trained and qualified for employment. At the Council's first Statewide meeting in Raleigh, the Governor said "We are just going to have to open up jobs for all people on the basis of ability and training, and promotion on the basis of performance. I believe this should be done," Governor Sanford continued, "it can be done, and will be done by North Carolina people because it is right morally and because economically we cannot afford to do otherwise. There will not be any discrimination in State jobs. Such discrimination is both unconstitutional and undemocratic.

Such forthright utterances and leadership are unprecedented among southern governors.

The Good Neighbor Council, under the leadership of a veteran State government official, D. S. Coltrane, began immediately to take steps to implement the announced policy of the Governor. Mr. Coltrane stated early that the council would not be a "do-nothing" group, and he and other members set about trying to get local Good Neighbor Councils set up throughout the State. The Council also began a program of seeking

qualified Negro applicants for State agencies and for business and industry.

During recent weeks and months, some far-reaching and remarkable changes in employment practices and in public accommodations have taken place in North Carolina. The Good Neighbor Council does not take credit for these changes. As Vice Chairman of the Good Neighbor Council, I realize that the demonstrations, marches, and sit-in's have served to highlight the handicaps and the indignities under which Negroes have lived; but it is my judgment that substantial improvement in the Negro's economic conditions will rest ultimately and solely upon his competence and performance in a world where race and skin color are no longer a handicap. It will rest also upon a residue of good will and a sense of fair play on the part of employers.

There is much evidence that business leaders and owners of industry in North Carolina are increasingly aware of the damage that prolonged demonstrations can do to inter-racial accord and to the over all economy of the State. This, in part, has motivated the changes that are taking place in North Carolina.

But above and beyond this awareness, based on economic consideration, I believe the feeling on the part of businessmen and industrialists is that these things should be done because they are "just" and because "it is right morally."

Here are some of the changes which have taken place. Negroes are being employed in positions and categories in States agencies where formerly no Negroes were employed. There are two draftsmen in the Conservation and Development Department, a counselor and an occupational analyst on the State staff of the Employment Security Commission, a clerk in the Teachers and State Employees Retirement System, two supervisors in the Paroles department, a services representative in the Personnel Department and a dental technician in the Prisons Department.

From conversations with personnel officials of other State agencies, I understand that as vacancies occur and as new openings arise Negro applicants will be considered and employed strictly on the basis of merit and qualifications.

Information gathered by local Employment Security Commission offices from every section of the State indicates that Negroes are being employed in many categories formerly closed to them. For several years many of the major companies of North Carolina have been employing and upgrading Negroes in their plants strictly on the basis of merit and qualifications. R. J. Reynolds Tobacco Company, P. Lorillard Tobacco Company, Douglas Aircraft, Burlington Industries, Western Electric and the American Tobacco Company are outstanding examples of industries accomplishing these practices.

Recently, mercantile establishments, banks, savings and loan associations, and some textile and furniture manufacturing plants have begun hiring and upgrading employees without regard to race. Negroes are now being employed as waitresses, clerks, upholsterers, and machine operators in furniture manufacturing plants, and as architects and engineers by some construction companies. More and more employers are placing job orders with State employment offices without any stipulation as to race. Many managers in local employment offices are of the opinion that gains by the Negro in job categories are the beginning of a practice of hiring on the basis of merit and qualifications, one which will continue among business firms in North Carolina.

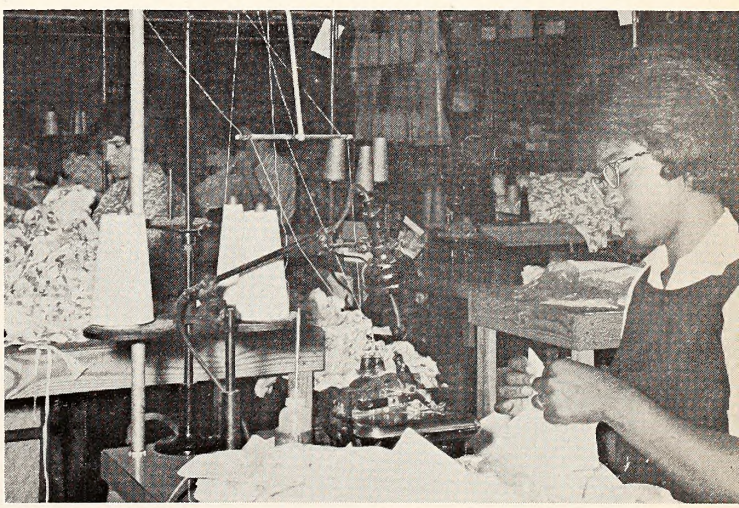
I believe the demonstrations emphasized the pressing need for changes in discriminatory practices in public accommodations and in employment. But, demonstrations are not the full answer. The good results of the demonstrations, in other words, the improving job opportunities, the opening up of public facilities, public awareness of equal educational opportunities, etc., require the implementation and the sanction both by the leaders in government and in business and industry. The forthright position taken by the Governor concerning equal employment practices set the pattern for the acceptance of change, and his leadership found a ready response among large elements of employers and citizens throughout the State.

The owner of one of the leading motel chains in the State had this to say when he was asked why he decided to integrate his business. "I decided to practice on Monday what I was teaching on Sunday to my Sunday School class." And a personnel manager of one of the large banking establishments stated, "We have employed some Negroes in our banks as tellers and bookkeepers. We will continue this practice because it is fair and it is just."

I believe that the sentiments expressed by these two businessmen represent the feeling and attitude of a large number of employers and other white North Carolinians.

As to whether Negroes are presently prepared to take advantage of these new openings is not pertinent in the present circumstances. The pertinent and important consideration is that we here in North Carolina believe that we can no longer follow educational procedures and practices that leave many of our citizens unprepared to bring their full capabilities and potential to bear upon the productive processes of our economy.

Having made this decision, our task now is to forget the mistakes of the past and bend all our efforts toward creating a future in which all North Carolinians can participate with pride and to their full capabilities.



The orthur notes changing ottitudes toword employment of Negro workers. The Robville Manufocturing Co. in Robersonville hos 94 white and 51 Negro employees in their sewing operation, and the June Day Monufacturing Company of Williamston hos 57 white and 18 Negro workers. The pictures illustrotes the harmonious employment conditions existing in these two plonts.

Colorful Nihat Ferit Yapor visited North Corolino in '63 os o guest of the U. S. Department of Labor. During on informal chot with Governor Sonford, he presented the Governar with an eloborate Turkish pipe. Sonford, o non-pipe smoker, took a heolthy draw off the ornate instrument before settling down to o more serious discussion with Mr. Yapar.

After Nearly 30 Years, Nihat Returns

An official of the Turkish Ministry of Labor visited North Carolina in October to study the State's unemployment insurance and employment service programs. Nihat Ferit Yapar, 50-year-old director of the research and occupational analysis department with the Turkish Employment Service, said his country "plans a program of unemployment insurance in the near future and he was here to see how the United States handles it."

A participant in the Agency of International Development, Yapar spent a week in Raleigh observing the operation of the Employment Security Commission headquarters.

Yapar returned to North Carolina after a 28-year absence. He was the first Turkish student to attend the University of North Carolina in Chapel Hill and attained a MA degree in Economics from UNC in 1937. While in North Carolina he visited the University and talked with old friends. He also spent his second week observing the operation of local Employment Security Commission local offices in Durham and Gastonia.

His visit to the United States is sponsored by the AID program, and he is a member of the U. S. Department of Labor's high-level international manpower seminar, assigned to the Bureau of Employment Security for study of U. S. Manpower programs.

His United States visit carried him to several states from New York to California.

In Turkey, Yapar is responsible for the development of occupational classification and all kinds of research work relating to his country's employment service. Prior to his present post, he was the director of Public Relations and Statistics and earlier worked with American countries as their Turkish advisor. He was educated at the American International College of Izmir, Turkey, and resides in Ankara.

The foreign official has visited France, Italy, Germany, Greece, Syria, Lebanon and Israel and has attended several international conferences and seminars, including the International Seminar on Adult and Workers' Education which was sponsored by the Israel National Commission for UNESCO and the International Labor organization.

"When I landed at the Raleigh-Durham Airport I was really excited. It is the State to which I owe so many things. I have waited for that moment for 28 years," he said.

Gastonio ESC local office monager Earle Brackman (right) carried Yopar on o tour of his area's textile industry. The picture was token ot the Firestone Textile plont with employee Ralph Jahnsan (left) and Bill McCrory of the Gastonio First National Bonk. The Turkish Ministry af Lobor official also visited Chapel Hill and the University of North Coralino, and talked with old friends he had not seen since college days in Corolino. The stop in North Caralina was just one of many visits to states while in this country.

ACTIVE

(Continued from page 5)

the past year by private fee-charging agencies.

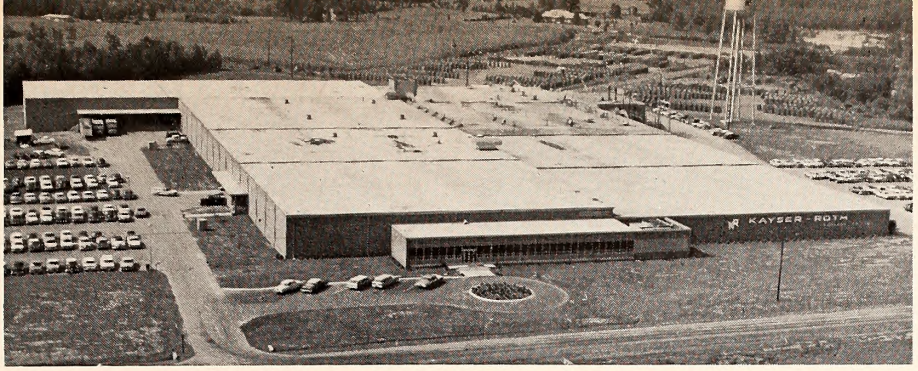
It is absurd that such attack should be taken seriously. Indeed, it is time that federal and state governments reviewed the all too common abuses of the private agencies, abuses imposed upon American working people in search of employment.

For example, I find it shocking that six states have no laws regulating private employment agencies.

Further, I find it shocking that of the 44 states which have regulatory laws 15 do not require an agency operator to present evidence of good character to obtain a license; 24 do not require an agency to be operated in suitable premises as a prerequisite for obtaining a license; 11 do not provide for the regulation of registration fees (fees collected before any service is rendered to the applicant); 15 do not regulate the maximum placement fees which may be charged; 16 do not prohibit the referral of a worker to employment without having a bona fide order; 29 do not prohibit private employment agencies from sending applicants to jobs where their employment will be in violation of any law; 17 do not require notifying the worker that a labor dispute exists at the place of employment to which he is referred; and 13 do not prohibit the splitting of fees between an agency and an employer.

I would close on a more pleasant note. Together our department and your association must sustain our common, progressive traditions. Together we must share in the everlasting struggle to achieve an effective, democratic employment system within the valid customs and ambitions of a free people.

I know that we shall succeed.



The Kayser-Rath Hosiery Campany on Interstate 85 in Burlington, a new facility reflecting the active textile industry af the area. This industry helped cantribute ta an annual $90,000,000 payroll in the Burlingtan area, as the majarity of the sectian's wark farce is employed in textile and hasiery manufacturing.

Burlington

A Labor Market Study by ALBERT M. SWINNEY
Burlington ESC Office

The Burlington labor market area, which is located in the heart of the famous Piedmont section of North Carolina, includes all of Alamance County. Settled in 1700 by colonists from the northern territory, the city was first known as Company Shops, chartered in 1858. The name was changed to Burlington in 1887.

In 1963 the estimated population of Alamance County was 90,010 persons and in Burlington, 35,790. Compared to other areas of the State, the labor market situation here is good. Over 1800 firms employ more than 30,000 workers in Alamance County. Unemployment is slightly over three percent of our civilian labor force, while the national ratio stands at 5.6 percent. In 1962, local industry had an annual payroll in excess of $90 million, the majority of its workers employed in hosiery manufacturing and textile plants. The remainder are employed by establishments producing electronic equipment, furniture, and a variety of other items.

With more than 400 retail outlets the Burlington area has an annual sales volume which exceeds $54 million. Per capita purchasing power is among the highest in the south and population of the retail trade area is 150,000 persons.

Burlington has all the advantages necessary to industrial prosperity—an ample supply of electricity and natural gas, telecommunication services, fast transportation facilities and modern travel accommodations.

To meet the demands for workers with some type of industrial training, the Alamance County Industrial Educational Center opened in September, 1959, and now offers instruction in several different areas.

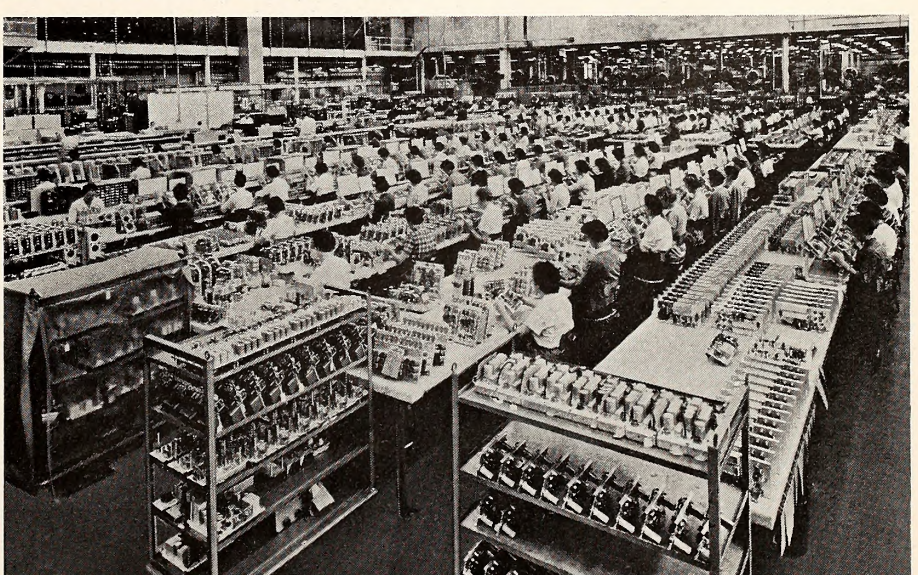
There are approximately 9,700 dwelling units in Burlington, about 75 percent are owned by occupants. The city has 39 churches, 13 schools with an enrollment of more than 8,000 students, year-'round recreation facilities, an excellent newspaper and two radio stations.

Non-agricultural wage and salaried workers employed in the area total over 30,600 people with more than 27,600 covered by the State's unemployment insurance program. Manufacturing industries employ about 20,000 workers with the textile industry (excluding hosiery) employing 6,400. The hosiery industry accounts for another 8,200 employees. The electrical industry has over 2,900 workers and food, furniture and other manufacturing units employ approximately 3,340 persons. Non-manufacturing employment includes nearly 10,500 people and this group comes from transportation, communications, public utilities, trade, finance, insurance, real estate and services.

Unemployment is generally influenced by seasonal work in construction, adequate inventories in hosiery and textiles, post-holiday terminations in retail trade, loss of government contracts, and business deaths. There are other factors, of course, but these account for the majority of the unemployed in the area. Some workers are unemployed because they want white collar jobs and they are blue collar material. Also, a large majority of the women workers in our area cannot work night shifts or rotating shifts. Reflecting a downward trend for unskilled and semi-skilled workers, job prospects continue to be quite limited for such persons.

In each county of the State there is a reserve of referrable workers available for staffing new and expanding industry. These estimates are prepared by the Employment Security Commission local offices for each of the State's 100 counties. Alamance County ranks 18th in the amount of available labor considered adaptable, trainable, and referrable for manufacturing jobs. Generally, the recruitable and referrable labor supply is made up of two groups; persons currently seeking work and potential job seekers.

The prospects of additional new industry in Burlington are good and efforts are continuing in that direction. The local Chamber of Commerce staff says it now has more new prospects for industry than at any other time. Alamance County has all the assets necessary for continued growth; a plentiful supply of labor, power, water, communications, transportation, and financial backing. All this, added to sound planning of our leading business and professional men can only result in a continued growth. We are confident of the future and believe the potential is unlimited.



The Western Electric plant in Burlingtan, a major producer of the nation's telephanic equipment. Average unemplayment in Alamance county is consistently belaw the State and national average and the county has all the assets far continuing industrial grawth.

Dropouts Get "Second Chance" In Unique Training Project

BY JACK CLONINGER

The early months of 1963 brought news from Washington

The Federal government wanted North Carolina to contribute an experimental program to provide general education as well as skilled training for young people between 16 and 22 years old who for some reason had been unable to complete their formal, twelve-year educational program.

Aimed at rural, agricultural or semi-rural residents, the new program would be financed by the Federal Area Redevelopment Act. There were many reasons for a program of this type.

The problem of high unemployment and school dropouts are two of the greatest concerns of our country. Young people who have not finished school and who have had no vocational training find it difficult to gain steady employment and consequently contribute greatly to unemployment. Jobs are available but there are no skilled people to fill them, so a program of this nature would train young people to become useful members of society and would ease the high rate of unemployment.

To begin the program a State planning committee was formed with membership from all major State agencies. Providing policy guidance, liaison with federal authorities and review of operations, this committee insures that the program is kept within all regulations.

North Carolina was asked to submit a project plan to Federal authorities and the program was subsequently approved and $140,000 was allotted to our State to carry out the experiment in three areas of North Carolina. Lincoln County was selected as the first area because of high unemployment, almost a 50 percent school dropout rate, the proximity of an Employment Security Commission office, previous participation under the ARA act, the nearness of an Industrial Education Center, and because of the enthusiastic response of local leaders.

A local steering committee was formed to provide program publicity and contact with civic and service organizations and with industry and potential employers.

"Operation Second Chance" began in Lincoln County on July 11, 1963.

Our first step was to investigate local school records for the past five years to make a list of all dropouts between 16 and 22 years old. Three-hundred and ten were identified and a form letter was sent to each person briefly explaining the program and requesting that if they were interested in training to make application at the Employment Security Commission office in Lincolnton.

I was hired on August 1 as co-ordinator of the Lincoln County project. I secured the names of additional dropouts and began a new campaign of publicity. Subsequently our total mailing was to 475 persons who had dropped out of school.

Our publicity stated that the program was open to all residents of Lincoln County between 16 and 22 years old who had not finished high school. They were eligible regardless of sex, race, marital or employment status. It was emphasized that there would be no cost to the individual and in some cases that they would be paid allowances while in training.

We had 144 persons apply for training under the program, a good return, I believed, considering that a number of persons had become married, had joined the armed forces, moved from the County, or had found suitable employment.

Lincoln County was allotted $41,000 to carry out the first phase of this program, most of the money being designated for research. Applicants for training were divided into two groups, one a control group, the other an experimental group.

All applicants were given a series of tests. The Lincolnton ESC office administered the General Aptitude Test Battery to determine in which area applicants could most successfully be trained. Norman Chansky and his staff from State College in Raleigh, who are responsible for the research work, administered the Welchsler Intelligence test, the Visual Retention test and the Wide Range Achievement test.

The experimental group will be trained first and the control group will be trained after the first group has completed its course. After the first training is completed, both groups will be given the same test again to determine how much improvement the trained group has shown over the untrained students.

Each applicant also had a session with the Employment Security Commission counselor, and in this way we found out the three types of training in which applicants were most interested and also their disabilities, weaknesses, hobbies, and other information that would be helpful in their training. They were also asked their reasons for dropping out of school.

A survey of local job opportunities, coupled with the information we had gathered about the applicants, helped us determine five appropriate train-

Jack Cloninger, picked to be the administrator of Operation Second Chance, the first project in North Carolina aimed squarely at training the high school dropout. Lincolnton, where Cloninger operates his training program, was the first of three sites in North Corolino to begin this special plan to solicit dropouts for instruction in new skills. Two more spots will be selected.

ing courses. We will have a course in carpentry, brick masonry, cutting and sewing and an on-the-job training class in auto mechanics. The first three courses will be 16-week classes. The fourth course will last 12 weeks and the fifth project will run for six months.

Editor's note: *Subsequent to the preparation of this article by Mr. Cloniger, we have learned that the first four courses he mentions here have received Federal okay and the first group of 60 people will begin training on January 6. Subsequent groups will be enrolled. Training will be conducted as part of the State's Industrial Education program at the Crouse school, five miles outside Lincolnton, which has not been in use since school consolidation in that area.*

Training will consist of eight-hour classes, five days a week. Based on our test results, programmed instruction will be given two hours each day in the academic field consisting of reading, writing, spelling and arithmetic. Six hours each day will be spent on vocational training.

As far as students are concerned the entire program is voluntary. As soon as classes were determined, students were contacted and enrolled in the class in which they were most interested. An opportunity of a lifetime, these classes will give students expense-free training and in a lot of instances they may receive training allowances while attending school.

Student attitude is very good. Most students realize they made a mistake by dropping out of high school and most have experienced the difficulty of finding a steady job with a future. Students who have been out of school for a short while do not realize the future consequences of dropping out of school, but they do know they need training to get a job.

Most are anxious to begin training. One boy said "I need a job so bad I would be willing to take any type of training to get a steady job." Another boy said "I realize I made a mistake in dropping out of school and know I need some kind of training to get a full-time job."

All the students know this to be true: "If you don't have a high school diploma or aren't experienced in some type of work, the employers won't hire you."

From the 144 applicants for the program, 27 have dropped out, five have returned to school, 13 have found jobs, five have lost interest, one has been enrolled in other training and three have joined the military service.

Most of our students are 17 and 18 years old and most have finished the ninth or tenth grade. We have one boy who has finished fifth grade work, and a girl who has finished twelfth grade but could not find employment.

There is a wide difference in the individuals enrolled in this program. Intelligence ranges from 45 to 114 scoring. Reading achievement ranges from zero to 12.4; spelling from zero to 10.6; and arithmetic from .9 to 9.9.

Why did 61 of these applicants drop out of high school? Nine listed financial difficulties. Ten lost interest in school, six married, two became pregnant, eight said they had difficulty with teachers, 24 could not pass their school work, and two applicants said they had changed schools and could not adjust.

Upon completion of the training program the Statewide ESC employment offices will attempt to find jobs for these trainees, and a three, six, and nine-month follow-up program will determine how well they are doing and their employers' opinion. Employers will be asked to relinquish their requirements for high school graduates (most require a high school diploma from a prospective job seeker) and to consider these students who have completed the vocational school.

Although we are working with a small number of people in Lincoln County compared to the overall dropout problem, we feel that this is a step in the right direction. If the things we do and the findings we make in Lincoln County are as successful as we anticipate, the possibilities are unlimited.

What we do find here could be used all over the country to set up programs of this type, not only for the youth group but for all residents who could benefit by it.

Lincolnton ESC Office Recruits And Tests Applicants For Pilot Project

By Paul Lawing, *ESC Manager, Lincolnton*

The news that Lincoln County was being considered as the site for a special "dropout" project was received with mixed emotions. Even though it would be the first program of this type in North Carolina, I felt that its location in our county would be a slap in the face since it would signal out our area as being depressed, illiterate and many other things. When I learned more about the program, however, my attitude changed to one of pride that we were being considered.

LAWING

A meeting to discuss the proposal among interested Lincoln County citizens was called in April, 1963, and a good response from all segments of the population was evident. John Fleming, ARA and MDTA coordinator from the Employment Security Commission in Raleigh, and Gene Burkhardt, ARA representative from the State Board of Education, came to Lincolnton and explained the project. Local interest and response were very good and a committee, composed of the Mayor, representatives from city and county schools, organized labor, the Welfare Department, N. C. Labor Department, Chamber of Commerce, and the Employment Security Commission, was organized.

The local committee began functioning immediately, and we discovered that by early May, 144 students had dropped out of school during the 1962-63 term. This alarming figure made us realize in the local ESC office what a tragic thing was happening to youth of our county. It helped us understand why we receive many job applications from young people who are not high school graduates and have not been able to find suitable employment.

Usually at each meeting of the local committee representatives from the State committee were present to tell of action they had taken and what was expected of the local committee. During a combined meeting in Mav, two representatives from the U. S. Department of Labor were present, Elaine Handy and Augusta Clawson, who were manpower development specialists. Both stated that they were impressed by the local committee's unique enthusiasm, emphasizing that it was a local project.

In May it was confirmed that Lincoln County was selected for the new dropout project, and at that time Governor Terry Sanford endorsed the program.

Files of city and county school officials were searched to find the names of young people who had dropped out of high school. We discovered 475 names and form letters explaining the program were mailed to each dropout. To our surprise only

(Continued)

about 25 letters were undelivered. Applicants who were interested in the program applied through our local ESC office here in Lincolnton. A separate file was set up for these applicants and response was good from the start.

This was in August. About this time Jack Cloninger was named coordinator for the project in Lincoln County and he is now actively engaged in this program, continuing to work very closely with the local Employment Security Commission.

The program was named "Youth Demonstration Project, Operation Second Chance."

Administration of the General Aptitude Test Battery to applicants began in August and so far we have tested 100 persons. This number is in addition to approximately 50 people who had previously received the GATB. After we completed this part of the testing program, another series of tests were given under the direction of Dr. Norman Chansky of State College to determine achievement, personality, intelligence, perception and memory. When the tests were completed, we had 144 dropouts ready for further training.

The State committee suggested that each applicant be counseled and with the cooperation of the ESC central office in Raleigh the job was completed in about two weeks. Since this was completed, Jack Cloninger, State office personnel and the Director of the Industrial Education Center in Gastonia have been meeting to determine the type program which will be beneficial to the dropouts.

A great majority of the dropouts to whom I have talked show a genuine interest in the program and are most anxious to obtain more knowledge and learn a trade. Once this program has gotten underway, we expect very little difficulty in placing students in occupations for which they will have training, especially if economic conditions remain as they are today.

The staff of the Lincolnton ESC office is very much aware that "Operation Second Chance" is being watched from all over the nation and we are most anxious that this program be successful. The wire services, newspapers, radio and television have all given this program statewide news coverage.

The extra work, frustration and anxiety our staff has felt at the beginning of this program will be swept aside when a young boy or girl has become vocationally trained and has been placed on a job by "Operation Second Chance." The greatest reward we receive in our work is to see a person gainfully employed in a job which he enjoys. To me, this is the end result we hope to see from every dropout who participates in this program.

Statesville

A LABOR MARKET STUDY FROM THE STATESVILLE LOCAL OFFICE OF THE EMPLOYMENT SECURITY COMMISSION

The Statesville labor market area includes all of Iredell County with a population of 62,526 persons. It includes two urban centers, Statesville and Mooresville. Statesville, with a 1960 population of 19,884, is located in the extreme southern part. More than one-half of the people reside in the rural areas.

Prior to 1950, Iredell County depended mainly on agriculture for its livlihood, although manufacturing industries had played a major role in the growth of the area. Furniture and textile manufacturers had been the principal users of industrial workers. Mechanization in the textile industries in the early 1950's resulted in fewer workers being needed and this condition generally offset any gains from new industries coming into the area, or other expanding firms, until the mid '50's. Our main progress has been since 1958.

Non-agricultural employment gains in the area during the past 10 years have been about five percent each year. During the period from 1958 to 1962, total employment covered by unemployment insurance increased from an average of 15,369 workers in 1958 to 18,759 in 1962. This 22.6 percent gain in the four-year period continued into 1963 and our present labor force is expected to reach 20,000 workers. Manufacturing employment increased 24 percent during this period from an average of 10,773 workers in 1958 to 13,358 in 1962.

Non-agricultural wage and salary workers (excluding domestics), were estimated at 23,705, 14,445 in manufacturing and 9,260 in other than manufacturing. Total non-agricultural wage and salary employment was estimated at 19,440 in mid-September, 1959. This gain represents a 22 percent increase in the last four years.

Sixty-one percent of the area's wage and salary work force is engaged in manufacturing. The textile industry is the largest industry, employing 36 percent of the manufacturing force. One full-fashion hosiery mill and three small knitting or finishing plants are the only hosiery manufacturers in the County. Other textile plants are well diversified, manufacturing, twisting, weaving and laminating fiberglass. Textiles ranks second to apparel in the numerical gain in employment during recent years. One spinning plant is fully staffed with Negro workers.

Our apparel industry ranks second in employment, estimated at 3,610 in September and comprising 25 percent of the manufacturing employment. The sustained rapid growth has occurred most recently from expansion in companies locating here prior to 1958. This industry is also well diversified, making various items of wear for men, women and children, as well as draperies, tents, and awnings in household furnishings. Two companies currently have separate plants fully staffed by Negro workers and the third company is readying facilities to operate a Negro plant.

The combined lumber and furniture industry ranks third in employment, employing 18 percent of manufacturing workers. While not showing the rapid increase of textiles and apparel, furniture employment has steadily increased. This industry is also well diversified, manufacturing wooden and upholstered household furniture, office, institutional and technical furniture and banking fixtures.

Metal and machinery firms employ 11 percent or 1,600 of the manufacturing work force. This industry is also well diversified with a large variety of items being manufactured. Among the items are brick-making machinery, pencil sharpeners, parts for textile machinery, and screws and bolts of all types. An electronic firm is preparing to manufacture resistors in early 1964.

The remaining 10 percent of our area's employment is engaged in chemicals, petroleum, printing and publishing, rubber, stone, clay and glass.

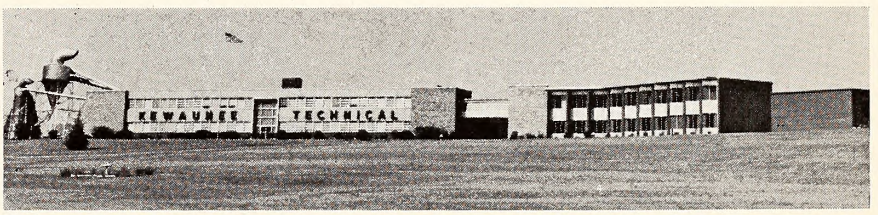
In the non-manufacturing group wholesale and retail firms employ about 35 percent of the total, with steady growth occurring in all non-manufacturing industries in recent years.

The total civilian labor force has continued to expand, reaching an estimated 30,240 workers at mid-September of 1963. Supplementing the resident labor force, a large number of workers commute into Iredell County from the fringe areas of adjoining counties, especially from Alexander, Wilkes, Yadkin, Davie and Cabarrus. Recent efforts to increase the resident labor force has begun. The shortages of rental units and low-cost housing has been recognized and efforts are being made to overcome this problem. Local employers in recent years have depended more and more on the Negro worker to supplement the labor force.

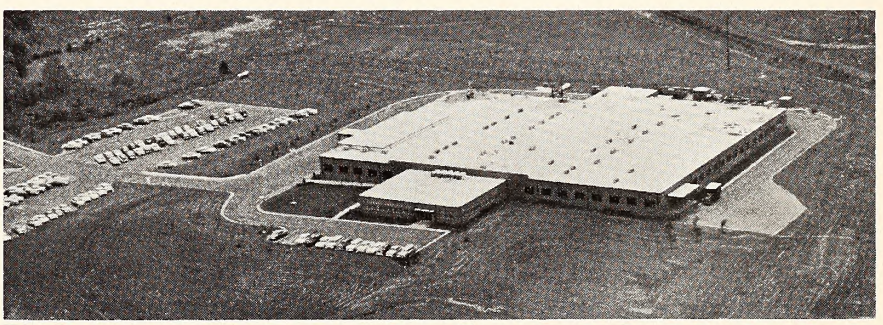
With the rapid growth in employment, unemployment is very low, estimated at 700 workers, or 2.3 percent of the labor force in September. At mid-October, the ratio of insured workers receiving unemployment benefits, excluding those attached to employer payrolls, had dropped below one percent.

The future outlook for the Statesville area is excellent. Two recent expansions have been announced in the furniture industry. A new electronic firm has selected Mooresville as the site of a plant which will begin operations early next year. One apparel plant has recently leased an additional building and plans to begin operation in early November using Negro women. There are other companies that have anticipated expansion but at a later date. A number of new employers are known to be considering the Statesville area as sites for manufacturing plants. Duke Power Company has recently completed Cowan Ford Dam, creating the largest man-made lake in North Carolina. This lakesite extends 20 miles up-river from the Iredell-Mecklenburg line and is expected to become a major recreation and industrial area for the Piedmont. Interstate 40 and Interstate 77 cross at Statesville which will create an added attraction for new firms to locate in the county.

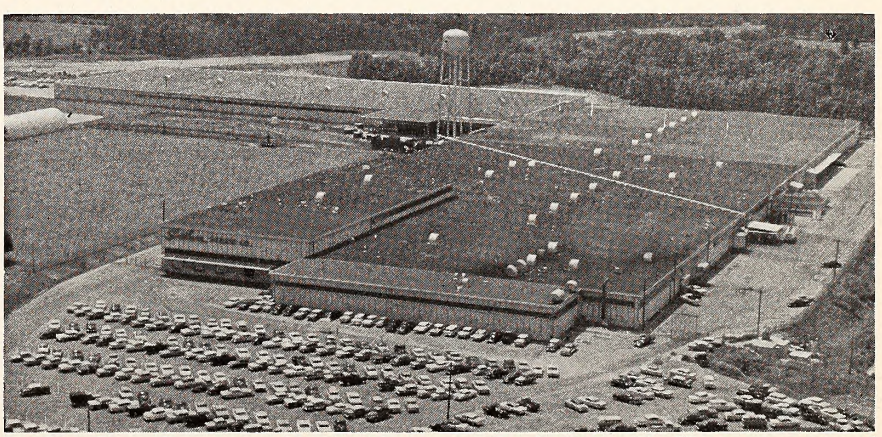
Young people entering the labor market, as a result of the post WWII baby boom, are expected to increase approximately 40 percent during the next ten years compared to the past decade. The rate of growth experienced during the last five years is expected to continue and we anticipate an increase of approximately 50 percent in employment during the next ten years. Chamber of Commerce officials, as do we here in the Employment Security Commission office, believe the growth rate of both Statesville and Mooresville will continue.



The combined lumber and furniture industry employs 18 percent of the manufacturing workers in the Statesville section, the area's largest employing unit. One of these employers is the Kewaunee Technical furniture company.



The Hunt Manufacturing Company in Statesville, another local major employer. Supplementing the labor force, a large number of workers commute into Iredell County from fringe areas, but efforts to increase the resident work force have begun and the future outlook is considered "excellent."



Southern Screw Company maintains a large operation in Statesville. The local metal and machinery industry employs at least 11 percent of the manufacturing work force. The industry is well diversified, producing a wide variety of metals and machinery goods.

LOCAL EMPLOYMENT OFFICE AIDS CHEROKEE RESERVATION

By Paul Felsburg, *Manager, Bryson City ESC Office*

The Qualla Reservation of the eastern band of Cherokee Indians, nestled in the Great Smoky Mountains and surrounded on three sides by the Great Smoky Mountains National Park, is the home of the most progressive tribe of American Indians. While the Reservation extends over a large portion of both Swain and Jackson counties, the entire area, for Employment Security Commission services, is the responsibility of the Bryson City local ESC office.

Providing employment services for this "minority group" is a constant challenge to the local office staff. The past two years has seen a tremendous growth in the size and scope of our services to the Cherokees.

For many years practically no services were provided this group. There were no manufacturing plants on the Reservation. Tourist facilities were not covered by unemployment insurance and they had long lists of applicants for the summer jobs which were available. A few of our Indian friends did drive the 10 miles from Cherokee and were provided all local office services.

From a slow beginning the business activity on the Reservation has accelerated until it now could be called phenomenal. Establishment of the Cherokee Historical Association in 1950 was the beginning. This Association produces the outdoor drama "Unto These Hills" which is directly responsible for bringing thousands of visitors to the area. These visitors in turn create need for additional services, motels, restaurants, service stations, etc. The tourist business alone has grown to the point of providing hundreds of jobs to care for the hundreds of thousands of visitors who now come to the area annually.

In 1956 the first industrial plant came to Cherokee. It employed a handful of Indians to make souvenir items for sale in Reservation giftshops. This has grown until it now employs over 100 persons. It is currently expanding and will soon employ another 30 to 50 workers. In 1959 the second industrial plant was established which now employs about 200 people and in 1962 a third plant began operations with employment of 50 workers. These industrial developments have resulted from the actions of the Tribe because they have sought to better the conditions of the eastern Cherokee.

Today, two more plants are beginning to take shape and will employ another 600 people by the fall of 1964. In addition, three more firms have expressed interest in a Cherokee operation.

All of this activity on the Reservation caused an increasing demand for local Employment Security Commission services. Starting in 1959 we began providing once-a-week itinerant service. This service was provided primarily to take unemployment benefit claims and in the time available we provided some placement service. We still provide this once-a-week itinerant service for claims taking, but our other services have grown and we expect they will continue to grow.

The summer of 1961 saw the beginning of a tight labor market on the Reservation. Employers no longer had their long list of applicants and our job orders began to climb. This afforded us an opportunity to call on the Cherokee employers and explain and offer our services. One or two of the local office staff spent several days each week in Cherokee in placement activities. We repeated this service in the summer of 1962, again very successfully. In fact, with a few exceptions, we had everybody registered with us working.

This activity in Cherokee during 1961-62 was accomplished in close cooperation with the Cherokee Indian Agency and especially with their office of Employment Assistance. This program worked so well that the Bureau of Indian Affairs requested that we render full-time placement services at Cherokee for the summer of 1963. This we agreed to do and on May 1, 1963, we opened an office provided by the Cherokee Indian Agency and staffed it with one of our interviewers. This service was to last until September 30, 1963, but when this article was written a month later this office was still open and making a great many placements. In fact, there were very few unemployed.

In addition to our activities in placements and claims, we provide an employment counseling program for seniors in the Cherokee High School. Employment counseling is accomplished in cooperation with the Cherokee Indian Agency office of Employment Assistance for those Cherokees who desire to learn a trade under the auspices of the Bureau of Indian Affairs. We administer performance tests for clerical workers seeking federal employment with the Cherokee Agency.

Veterans affairs? Both male staff members of the Bryson City ESC office are active in the American Legion Post, the largest and most active civic organization in Cherokee. And our active job application file from veterans is depleted.

Since 1961, the local Employment Security Commission has worked in very close cooperation with the Cherokee Indian Agency and its various offices and officials. I have been privileged to have a part in the planning that has taken place in raising the Cherokees' economic status to an all-time high.

We have moved from a point of "where will we find jobs for all these people" to the present position of "where will we find people for all these jobs." The Cherokees challenge us to greater efforts.

DuVal Appointed Head Of ESC Job Counseling

Marshall DuVal, 30-year-old former high school teacher and coach, has been appointed Supervisor of the Employment Security Commission's Employment Counselors.

Appointed to the post in August, DuVal replaces Lacy G. Hall who returned to the University of North Carolina for graduate study.

DuVal came to the Commission after a three-year teaching position at Page High School in Greensboro. Prior to that time he was a teacher, coach and counselor at Proximity Junior High School in Greensboro.

Originally from Richmond, Virginia, DuVal attended East Carolina College in Greenville and graduated in 1957 with a BS degree in history and science. In 1962 he attained his masters' degree in guidance at East Carolina.

DuVal is a two-year Army veteran, having served in the chemical corps.

He is married to Anne Duke of Greenville and the DuVals have a young daughter.

The new Supervisor of Employment Counseling makes his headquarters in the Raleigh ESC central office, and will work with employment counselors in the 54 local Employment Security Commission offices about the State to increase counseling activities to job applicants.

Counselors examine past work history and attempt to learn the occupational abilities of job seekers through the State employment offices.

IAPES Members From Near And Far Attend Annual Institute

Close to 300 North Carolina IAPES members assembled at the Institute of Government at the University of North Carolina, October 11-12, during the local chapter's 12th annual institute.

Theme of the program was "Supervisory and Employee Development," Keynote address was delivered by Phillip Whiting of the P. H. Hanes Company who spoke on "Organizational Goals, Individual Needs, and Supervision." Dr. Roy N. Anderson of the University of North Carolina at Raleigh; J. T. Blair, Western Electric Company; and Dr. Danny J. Moffie of the University of North Carolina in Chapel Hill, also were featured speakers.

A unique phase of the 1963 institute divided attending members into three sections. Section leaders led these groups in solving hypothetical problems involving employee-supervisor relations.

During the two-day session, employees of the State Employment Security Commission who had completed 25 and 30 years service in employment security work were publicly recognized by ESC Chairman Harry E. Kendall.

Old-time members who were present received their complimentary copies of the "Employment Security Review," a publication of the Bureau of Employment Security in Washington, which listed all 25 and 30-year personnel across the United States. The listing was a special feature of the Bureau's 30th Anniversary. The Tar Heel State has 12 people who have completed 30 years service and over 100 who have completed over 25 years service (at institute time).

Marvin Burton, who was appointed director of the State Veterans Employment Service earlier in the year, received awards from the IAPES chapter for his work in membership recruitment.

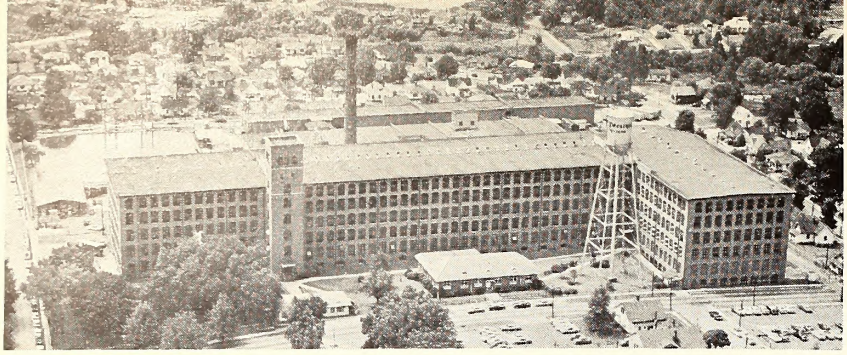
Highlight of the social activities was a banquet at the American Legion Hall in Chapel Hill. Candidates for IAPES office during the forthcoming years officially began campaigning.

The International Association of Personnel in Employment Security is a national organization, including membership from practically all states and several foreign countries.

Ben Johnson, Eorle Brodley, Ed Hyatt, ond Elmer Von Court porticipote in one of the discussions before the IAPES institute ot the Institute of Government building on the University of North Corolina compus.

Meneto Proffitt (stonding) of the North Wilkesboro local ESC office, directs one of the workshop sessions. Attendees were divided into three sections to read ond ottempt to solve severol problems involving employees-supervisor relotions. "Workshops" were a new inovotion ot the institute.

Here are some of the ESC folks who were honored for their long time service with the Commission. Left to right, front row: Beth Blackman, Mobel LaBorr, Kotie Deon, Morguerite Smith, Morgorette Corpenter, ond Sadie Jones. And the gentlemen ore: F. D. Mortin, J. S. J. Cameron. Henry Sheoherd, Thad Cherry, Alden Honeycutt, John Mullens, J. W. Beoch, Richard Smith, Gilliom Parker, ond Wilbur Peocock. These ore 30 ond 25-yeor State employees.



GASTONIA

A Labor Market Study by JENNIE CRAIG WATSON,
Gastonia ESC Office

The Gastonia labor market area with a population of 127,000 persons in 1962 is "going full steam ahead." Gastonia is known as "a city of growing beauty" with its modern, well equipped industrial plants, up-to-date school facilities and beautiful homes. It has come a long way since the times of our early settlers who brought all their worldly goods in covered wagons. These pioneers were Scotch Irish, Scotch Highlanders and Germans. They were a thrifty, hard working people whose energies brought Gastonia from a dot on the map 75 years ago to a city of over 37,364 population.

Gaston County has had several generations of workers with 47 percent in manufacturing and 32 percent in white-collar occupations. The majority of these workers are found in more than 130 textile plants. In Gaston County there are 250 plants turning out textiles, textile machinery, or textile supplies. A few of the products are carded and combed yarn, synthetic and worsted yarn, hosiery, shoe laces, knit goods, woven labels, tire fabric, sewing thread, woven cloth and synthetic goods, textile machines and textile machine parts.

Other workers are found in ever increasing diversified industrial plants including a $7 million lithium plant, a huge factory manufacturing chain saws and lawn mowers, a plant which employs 800 people to manufacture motor oil filters, a large box factory, a big zipper plant and a plastics manufacturer.

Various sewing operations in the Gastonia area include the production of sweaters, tee shirts, athletic uniforms, sports clothes and other garments for women and children.

Our local Industrial Diversification Commission has announced new industries over the past few months which will provide at least 700 new jobs in the Gastonia area. A textile plant in a new 130,000 square foot building will employ over 300 people. A sewing operation will soon start a training program for 250 or more new employees in the manufacture of children's clothes. Another sewing plant has built its employment to exceed 100 workers. Manufacturing a specialty fabric, a new weave plant has moved in which utilizes 50 workers. A screen printing company, employing around 50 people, will accomplish hand and machine printing of textile fabrics. A screen engraving company began operations several months ago to make screens used by textile printers in the entire textile region.

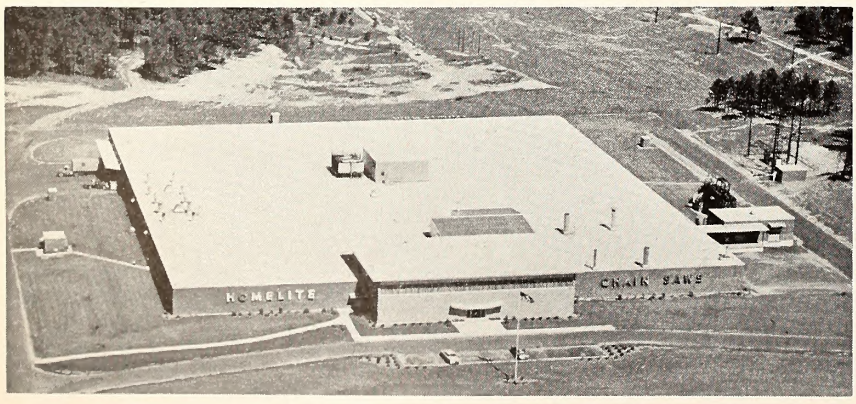
The Employment Security Commission office of Gastonia works closely with the Industrial Diversification Commission and gathers facts on available workers, while staff members meet with prospective employers to assure them of the availability of labor in the area.

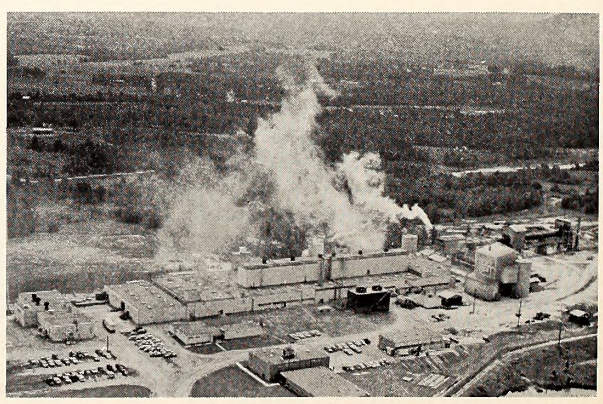
The Industrial Realty Corporation, a community enterprise, has purchased land well located for diversified manufacturing and will assist, not subsidize, worthy industries wishing to come to Gastonia. New streets have been opened, rail lead tracks installed and sites graded to attract new industry. A 200-acre industrial park with railroad sidings and all necessary utilities is conveniently located immediately outside Gastonia's western city limits and is accessible to Interstate 85, two State highways, and a railroad main line.

Gastonia is fortunate to have a high type utility service. Water is furnished by the city and contains no hard minerals which would be unfit for industrial purposes. Capacity of the plant is 12.5 million gallons daily, or twice the present consumption. Gastonia has a modern sewage disposal plant and another is to be built north of town which will open up that area for industry. Duke Power Company, with two major plants, produces two million kilowatts and supplies the County with abundant service. Public Service Company of North Carolina delivers natural gas to many industrial plants and homes. Southern Bell and Western Union Telegraph Company offer up-to-date telecommunication services.

The newcomer list grows and grows. Most workers now employed in manufacturing were drawn from the mountain sections of the Carolinas. An industrialist new to the area said, "Our experience with the Gastonia worker indicates they are highly intelligent, ambitious, pleasant to work with, and possess aptitudes which enable them to develop skills quickly and reach standards of production. It is difficult to conceive that any more desirable employees could be found." Gaston County has already absorbed many people from other states. New industry has brought its key men and their families.

Gastonia's construction, providing necessary buildings for industry and homes for workers, is at an all-time





Diversified industry highlights Gastonia's labor market and two prime contributors to employment are the Homelite Chain Saw Company (left) and the Lithium Corporation of America. In Gaston County there are more than 250 textile plants and textile related manufacturers.

high. Three new industrial plants have recently been constructed at a cost of $1,355,000. Eleven new apartment buildings with 124 units cost $481,000. A new elementary school cost $541,000. A $2 million modern shopping center with 22 stores and offices employing approximately 600 workers opened in October. A large general retail store opened in March, 1963, which employs 200 workers.

In Gaston County there are 355 people to the square mile, and the density of population creates a definite source of male and female labor. Some contractors, however, are experiencing difficulty in securing skilled workers such as carpenters, brickmasons, and painters. The shortage of trained workers is being met as rapidly as possible by vocational schools.

The North Carolina Vocational Textile school at Belmont offers five courses in textile manufacturing at no charge to residents of the State. Gaston Technical Institute in Gastonia, which is operated by N. C. State College, gives technical instruction that is in demand in industry. The Industrial Education Center in Gastonia trains high school students during the day and offers night classes to employed workers who wish to learn new skills including automobile mechanics, machine shop operation, drafting, typing, and business machine operation. Belmont Abbey College, a four-year accredited college, Evans College of Commerce, Sacred Heart Academy, and the junior college for girls in Belmont are other educational institutions in the area.

Gaston County offers basic education to 31,000 students. A bond issue involving $500,000, which was passed in October, 1963, approved the construction of Gaston Community College. The State has already appropriated a matching fund. Called a "drive-in" college, it will have 300 students when it opens next fall and will eventually enroll 600 students.

The Gastonia Chamber of Commerce celebrated its 50th anniversary in 1963. This organization was instrumental in securing the legislation which approved the N. C. Vocational Textile School in Belmont and created a great deal of interest in the Gaston Technical Institute, Gastonia Industrial Education Center, and the Gaston Community College.

Unemployment in the greater Gastonia area is at its lowest level of the year (October, 1963). We have less than 2,000 people who have job applications on active file. We estimate that there are at least 2,700 people available in the area who would be interested in work if suitable employment could be found. Many of these workers are temporarily out of the labor market but could be induced to return if a good opportunity presented itself.

Persons filing for unemployment insurance was at a low figure during the fall and averaged about 1,000 claims a week. Some of these claimants are not separated from their jobs but are filing for part-time unemployment.

All types of industry in the greater Gastonia area are operating on good schedules, and we do not anticipate any unusual increases in unemployment.

LEXINGTON

By W. Alan Knight, *Manager, Lexington ESC Office*
A Labor Market Study

Lexington, with its population of 16,000 persons, enjoys a good balance between industry and trade. Furniture is our leading industrial employer with 3,200 workers engaged either directly in household furniture manufacture or in other small related industries such as veneer and metal bed rail manufacturing. Wood bedroom furniture is the primary product produced in Lexington, but dining room suites and occasional tables and chairs are also manufactured in large quantities.

Davidson County leads all counties in North Carolina in the number of persons employed in household furniture manufacture.

With 2,700 employees, the textile industry and related establishments is Lexington's second largest manufacturer. Textile firms produce broad woven cotton, synthetic and woolen fabrics, including cotton plaids, ginghams, shirting, ticking, slip covers and men's and women's wool, cotton, and synthetic suiting materials. Related industries produce men's and children's cotton socks.

The third largest industry in Lexington is apparel manufacturing, employing 1,150 persons to produce ladies' and men's shirts, play clothes and work clothes.

Year-'round food processing provides employment to over 300 persons in the Lexington area and there are an additional 350 people working in seasonal food processing operations. In this industry a lot of people find temporary employment and many high school and college students find summer jobs. An egg freezing plant operates from July through the middle of September and peaches are frozen from July through the middle of September. Apples are processed from October through the middle of November, and some workers follow all three seasonal operations.

Industry has become more diversified in Lexington during the past five years. Mercury batteries, ceramic tile and industrial drying equipment are being manufactured here, providing employment for 575 workers. Other small industries coming to the area in recent years have been responsible for even greater diversification.

Approximately 1,700 persons earn a living in wholesale and retail trade.

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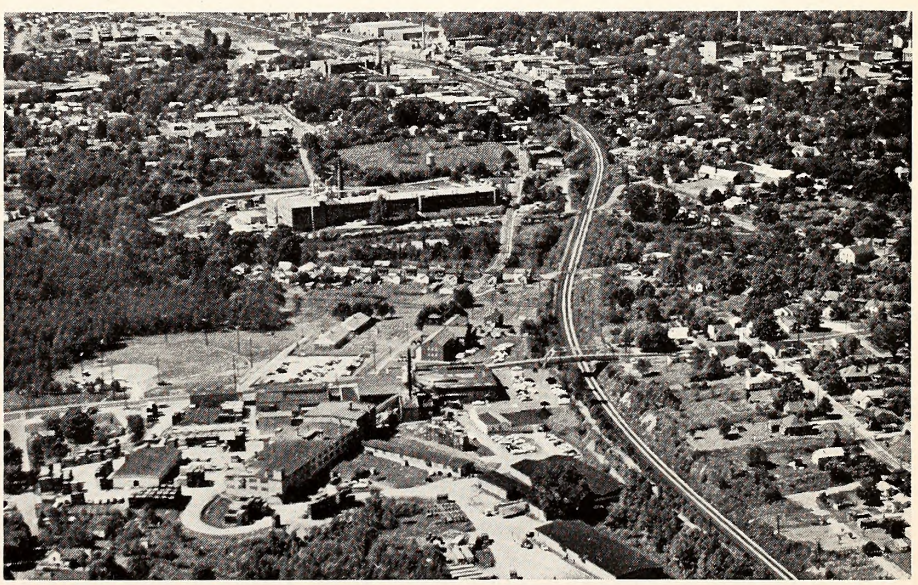


Lexington Chair Company and Philpott Furniture, two of the city's largest employers.

Another 1,250 people work in the service industry.

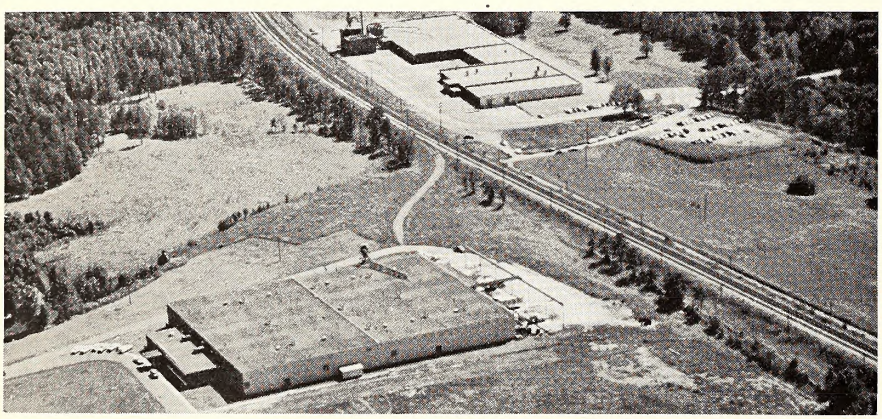
Insured employment in the Lexington area has increased by 25 percent over the past 10-year period because of new industry and the expansion of old industries.

Our local economy is tied closely to the furniture industry, of course. Although the ups-and-downs of other major industries such as textiles affect the economy, the greatest impact is felt by fluctuations in the furniture industry. Even in peak periods of employment, joblessness is always greater during the winter months when curtailment of outside activities cuts deeply into the work force. On the other hand, even in recessionary periods, employment is always higher when food processing operations are in season.

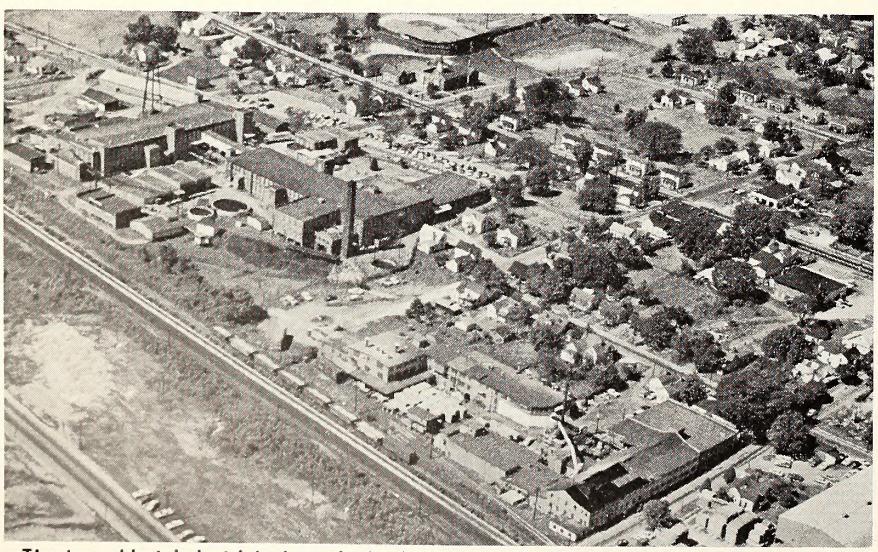
Since Lexington is an industrial community, three recessions in the past 10 years have naturally played a big part in the available labor supply. During recessionary peaks the supply has been ample. However, as we move further away from the last recession, which was in 1961, the supply of labor decreases and more shortages occur in various job classifications. Not only have shortages developed among experienced workers, but among trainees as well. Most industrial employers are now placing practically as much importance on hiring the young, promising trainee as on hiring the seasoned, experienced worker, so the trainee supply is decreasing steadily.

Our rate of unemployment has taken a decided downward turn in recent months. In October, 1963, it stood at approximately 1.5 percent. Although the rate is expected to increase in the winter due to stoppages in construction work, most industrial establishments are expected to maintain high levels of employment into 1964.

The 20-mile recruiting radius of Lexington, including parts of Davidson, Davie, Guilford, Forsyth, Rowan and Randolph counties, has a population of 192,000 persons and this is the area from which Lexington recruits workers for new industry. Established industry depends heavily on the surrounding area, especially Davie County, for its employees.



Two new industries in Lexington are the Proctor and Schwartz Company (foreground) and the Young-Hinkle Furniture Company. The local economy is tied closely to the furniture industry, but insured employment in the area has increased 25 percent during the past 10 years because of the presence of new industry and expansion of old.



The two oldest industrial plants in Lexington are the Dakota Cottan mills (left) and Wennonah Mills. The textile industry is Lexington's second largest employer, employing some 2,700 workers, and the apparel manufacturing industry is Lexington's third largest employer. Predominant industries employ women workers primarily, and in 1963 women were 55 percent of Lexington's and the ajacent area's total labor force.

Due to the nature of Lexington's industry, its labor market is composed largely of semi-skilled workers with a furniture, textile, or apparel background. In 1962, the average weekly wage of workers covered by unemployment insurance in Davidson County was $65.81. Employers covered by the State's Employment Security Law had an average contribution rate of 1.48 percent in 1962, while the Statewide average for employers paying into the unemployment insurance fund at that time was 1.47 percent.

In the local labor market there are usually four unemployed women to each unemployed man. Ten years ago women made up 44 percent of the total work force in Davidson County. This increased to 55 percent in 1963, a situation made possible by expansions of several local industries which predominantly employ female workers. In addition, two new industries which employ a substantial number of women have begun operations in the area recently. More women are in the labor market because of the industrial worker's desire to boost the family income by having both husband and wife employed.

Industrial Lexington received a decided boost when the Davidson County Industrial Education Center opened in September, 1963. Located on a 22-acre site halfway between Lexington and Thomasville, the training center became a reality when industrial leaders throughout the County cooperated with the Thomasville and Lexington Chambers of Commerce and pledged $150,000 toward construction costs of the IEC. Following this pledge, the Davidson County Commissioners obtained the additional $300,000 needed to complete the project.

Four types of programs are offered at the IEC. They are: high school trade preparatory; adult trade and preparatory; technology; and upgrading, updating, extension and supervisory. A lot of emphasis is being placed on student preparation for careers in the major industries—furniture, textiles, and apparel.

Lexington has grown tremendously in the past 10 years. Much of the growth has come from within in the form of plant expansions, new plant construction and new business establishments. Added to this growth has been the entry of several new and diversified industries from outside the local area.

Our growth has been steady, but it has accelerated during the past four or five years. Undoubtedly this kind of progress will provide the necessary spring-board for Lexington to further enhance its reputation as a leader in business and industry during the ensuing 10 years.

At the formol opening of the Roanoke Rapids local ESC office, Areo Supervisor Phil Pollock (left) gets together with several office monogers. John Fish, next to Pollock, used to monoge Roanoke Rapids but is now in Burlington. John Fleming (center) is the new manoger at the Raleigh office, ond Dwight Leonord moved over from Woshington to direct the Roonoke Rapids LO. Jesse F. Beotty (not pictured) is the monoger ot Woshington.

New Quarters and Managers For ESC Offices

Manager John Taylor and staff of the Mt. Airy local office of the Employment Security Commission formally opened shop in their new building this summer.

Now located on South Main Street, the new office is a far cry from the old accommodations with plenty of room, better lighting and increased comfort. Practically every staff member, welcoming visitors during the afternoon and early evening, found him or herself on local radio as "Rastus" Poor from WSYD talked with 'most everybody on the floor. ESC Chairman Henry E. Kendall was on hand to congratulate Area Supervisor John Harris and manager Taylor on the new office opening.

The local office of the Employment Security Commission in Goldsboro also moved to new quarters this summer. A fine formal opening in that city moved the employment office from a congested downtown area into a new, brightly lit and appointed brick building on Mulberry street with much more room.

Dwight Leonard and staff of the Roanoke Rapids local office of the Employment Security Commission greeted almost 140 visitors to their open house ceremonies in September.

A new manager has been named to the Washington local office of the Employment Security Commission. He is Jesse F. Beatty, former Employment Services Supervisor with the office in High Point. Beatty replaces Anice Harding as manager. Miss Harding resigned to become Mrs. Arthur Tripp, and she and her husband are now living in Greenville. Veterans Employment Representative Garland Edwards handled the manager chores while the new manager was being selected and received commendations from his area supervisor, from ES Director J. W. Beach, and from Beatty on his good job.

John Fleming, former Manpower Development and Training Act coordinator with the ESC, was named manager of the Raleigh local office upon the retirement of Lee J. Craven. Fleming takes over one of the largest State employment offices in North Carolina. Before coming to Raleigh to accept the MDTA post he was manager at the Shelby office. While in the central office, he was responsible for working with State and local groups as they planned training programs under the federal MDT Act.

Greensboro ESC Hosts Visitor From Indonesia

Miss Nana Soeriaatmadja, vocational guidance officer with the Indonesia Department of Labor, visited the Greensboro local office of the Employment Security Commission early in '64.

During her visit she studied local office operations with emphasis on placement, employment counseling, testing, and job development activities. She was particularly interested in the MDTA program and the training courses which she observed at the Guilford Industrial Education Center.

While in Greensboro Miss Soeriaatmadja was presented the key to the city by Mayor David Schenck. She appeared on two TV programs, saw her first ice hockey game as guest of the Greensboro Generals pro team, and was an honored guest at the musical production "Rose Marie."

She summarized her visit by saying, "I have been most favorably impressed with the high degree of professionalism and the dedicated attitudes of your staff. In addition to this, the wonderful atmosphere of cooperation that prevails between your office and your industrial and cultural community is of paramount importance. My visit to Greensboro has been most beneficial to me and to my country."

It was Miss Soeriaatmadja's only visit to North Carolina while in the United States. She is in this country as a participant of the Agency for International Development sponsored by the U. S. State Department.

During the yeor there were several service certificates oworded to employees of the Commission. Henry Shepherd, president of the 20-year-club, received his 30-yeor oward from the Employment Service Division. Fellow oreo supervisors wotch the presentotion which was mode by Alden Honeycutt. Left to right: Honeycutt, Phil Pollock, Jeonette Dugger, Shepherd, John Horris, J. W. Beoch, and Phil Bunn.

ALLEN TAKES OATH FROM JUSTICE DENNY

JOHN ALLEN TAKES OATH AS STATE PERSONNEL DIRECTOR

A former business manager of the Employment Security Commission has received an appointment from Governor Sanford as the State Personnel Director. He is John Allen, who began working for the State as an Interviewer in the Greensboro local office in 1946. In 1947 and 1948 he was a training technician with the Commission and in 1952 was named Business Manager.

Allen left the Commission in 1961 and was named Assistant Director of the Conservation and Development Department. Shortly he was promoted to Assistant Budget Officer and early in 1964 received the appointment as State Personnel Director.

Governor's Committee On Handicapped Attracts Big Crowd To Raleigh Meeting

A group estimated at about 130 persons gathered at Raleigh's Sir Walter Hotel in September at the second annual meeting of the Governor's Committee on Employ the Handicapped.

Committee officials agreed that the response was probably the best ever displayed at an "Employ the Handicapped" function. James Filipski, manager of the Employment Security Commission office in Greensboro, was one of the featured speakers, talking on "The Team Approach in Placement of the Severely Handicapped." He was followed by William A. Sims, who is the Chairman of the Governor's Committee in Georgia. He is the President of the Masters Manufacturing Company in Atlanta.

Governor Sanford was on hand at the luncheon and introduced the featured speaker, Harold Russell. Russell is the Vice Chairman of the President's Committee on Employ the Handicapped. Anyone who has seen or heard Russell speak is greatly impressed by his energy and his sincere conviction that hiring the handicapped is good business. It was his second appearance in North Carolina in 1963, having attended the mid-Atlantic conference in Asheville.

Leon Chatelain, past President of the American Institute of Architects, concluded the meeting with his discussion on architectural barriers.

Henry Belk, Goldsboro; Mrs. George Nicholson, Chapel Hill; Mrs. Edward Clasz, Asheville; and Steve Van Every, Charlotte, were sworn in as Committee members.

Harold Russell (above) was one of the featured speakers at the meeting of the Governor's Committee on Employment of the Handicapped. The WWII vet has worked for almost 20 years promoting employment of the handicapped. James Filipski, Greensboro local ESC manager, addressed the group on handicapped placements, and Governor Sanford (below) welcomed the group to Raleigh, complimenting them on their continuous efforts to increase employment opportunities for disabled persons.

COMMISSIONER VAN HECKE SUCUMBS IN CHAPEL HILL

Dr. Maurice T. Van Hecke, 71, Kenan professor of Law at the University of North Carolina and long time member of the Employment Security Commission, died December 2 of a heart attack. It was learned that Dr. Van Hecke had planned to retire after this academic year.

Highly respected and admired by members of the Commission, Dr. Van Hecke was appointed to the ESC in August, 1957.

The 1963 edition of the N. C. Law Review was dedicated to the law professor who last year won the Thomas Jefferson Award. The statement made in this publication before Dr. Van Hecke's death was not a eulogy, but after his death it stands as a very fitting memorial to a brilliant educator: "The sum of his influence is not to be found in any classroom lectures, on any printed page, or under any of the hats he has worn. It is rather to be found in his whole career, personal as well as professional. It lies in substantial part in the warmth and depth of his friendship, in the aid and encouragement he has so freely tendered to colleagues, and in his fidelity to high aspirations."

USES

(Continued from page 32)

Furthermore, critics of the public employment system insist that its referral system will reduce the "free choice" of employees and employers. Yet if State employment offices refuse their services to the employed persons or the professional job seeker, which by law they cannot do, freedom of choice is *eliminated*—that of the applicant's privilege to select any employment services he wishes.

In May I spoke before Senator Hill's subcommittee in Washington and answered critics of the public employment system. I told Committee members that the language of the Wagner-Peyser Act clearly intended that the services of the public employment offices be available to all employers and all workers, whether such workers are employed or unemployed. I said the law has been so administered during the 30 years of its existence. The law is not intended to compel workers or employers to use the public employment service. This is the way we like it in this country—freedom to choose.

College administrators and students alike may elect the assistance of the State Employment Service, or they may not. Job placement men at North Carolina colleges are obviously dedicated to their schools and students and are highly regarded. No "threat" exists to college placement offices from the Employment Security Commission and its State Employment Service.

With manpower utilization and unemployment probably our nation's number one problem, it makes good sense for persons from both groups to get the job done together.

COMMENTS

(Continued from page 2)

possibilities of a wide segment of North Carolina's population.

A noted Negro educator, Dr. James Taylor, retired professor of psychology at North Carolina College in Durham, notes that employment opportunities for the Negro worker are improving in the Tar Heel State, particularly in occupations "not previously open to the Negro employee."

Included in this issue is the second series of articles on labor markets in our major North Carolina cities. ESC office managers and staff report on Lexington, Burlington, Durham, Gastonia and Statesville, and again we see the influence of textiles, tobacco and furniture on local economy.

The fringe benefit study, page 34, has disclosed many types of payments or privileges afforded employees of business firms which are often referred to as "fringe benefits." Workers are becoming more and more aware of benefits offered by industrialists as supplementing regular wages and salaries, and you will note from the wide variety of benefits that the practice of company-sponsored and sometimes financed employee assistance has developed tremendously since our country's industrial revolution. Hospitalization seems to be the most widely accepted fringe benefit. Almost all of the sampled firms made some contribution to the cost of hospital and life insurance programs for production workers, and over 40 percent of the firms paid more than half the cost of these insurance programs. The study, made by the Bureau of Employment Security Research, makes no attempt to compare fringe benefit practices found in North Carolina with those found in other sections of the country.

A new directorship has taken over the Veterans Employment Service in North Carolina (page 33). Two former veterans employment representatives with the Employment Security Commission have been appointed to administer the statewide employment services offered to veterans. R. C. Godwin, who for so many years capably directed the activity of the federal government service retired and turned over the office to S. Marvin Burton who used to be VER in our Charlotte state employment office. Employment Security Commission was Later, a VER from the Asheville local appointed assistant director. Although federal employees, these men work in the state with all 54 ESC offices, promoting employment opportunities of veterans.

Again, the first half of 1963 has been a demanding time upon the public employment system. North Carolina's labor force continues to grow and will become larger in subsequent years. Both state and federal requirements impose a more intensified program of service to our people, and we hope this issue of the ESC QUARTERLY highlights a few of the activities in which our agency is involved.

Our next issue of the magazine will feature the Tourist Industry in North Carolina, a business which surprisingly is becoming one of the State's leading employers and economic contributors. This is a booming industry in the Tar Heel State and each year adds to its growth.

ROBERTS

(Continued from page 27)

vestment, Roberts is a publicly owned company with some 2,000 stockholders throughout the country. Its stock is traded in the over-the-counter markets.

President and board chairman of Roberts is Robert E. Pomeranz, founder of the company. Jonathan N. Pomeranz is vice president and treasurer. Other vice presidents are David E. Henderson, Ralph D. Padgett, and Germinal N. Giraudi.

DURHAM

(Continued from page 41)

ment and transportation, and communications and public utilities.

In September, 1961, I stated in a report that as a result of the major shift in service and manufacturing industries Durham was on the verge of "breaking out of its shell."

Today, looking back over the road traveled during the past two years, we can say without a doubt that Durham is on the go and has already broken the shell. We are now moving.

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Publications Of Employment Security Commission Of North Carolina

Biennial Reports, 1936-1938; 1938-1940; 1940-1942; 1942-1944; 1944-1946; 1946-1948; 1948-1950; 1950-1952; 1952-1954; 1954-1956; 1956-1958; 1958-1960; 1960-1962.

Employment Security News (mimeographed)—weekly, started in 1936 by the North Carolina State Employment Service. Not issued during Calendar year 1945.

The UCC Quarterly
Vol. 1, 1942-Vol. 4, 1945

The E. S. C. Quarterly (Name changed April 1, 1947)
Vol. 5—No. 1, Winter, 1947—Granite, Marble, Stone
No. 2-3, Spring-Summer, 1947—Brick, Tile, Pipe, Pottery
No. 4, Fall, 1947—Rural Industries
Vol. 6—No. 1, Winter, 1947—Pulp, Paper, Paper Products
No. 2-3, Spring-Summer, 1948—Dairy Products
No. 4, Fall, 1948—Insurance
Vol. 7—No. 1, Winter, 1949—Banking
No. 2, Spring, 1949—Fertilizer Manufacturing
No. 3-4, Summer-Fall, 1949—Trade Wholesale-Retail
Vol. 8—No. 1-2, Winter-Spring, 1950—Hotels, Restaurants
No. 3-4, Summer-Fall, 1950—Milling: Flour, Feed, Meal
Index to Vols. 7 and 8, 1949-50, in Vol. 9, No. 1-2
Vol. 9—No. 1-2, Winter-Spring, 1951—Newspapers, Printing
No. 3-4, Summer-Fall, 1951—Tobacco Manufacturing
Vol. 10—No. 1-2, Winter-Spring, 1952—Furniture Manufacturing
No. 3-4, Summer-Fall, 1952—Textile Manufacturing
Vol. 11—No. 1-2, Winter-Spring, 1953—Hosiery Manufacturing
No. 3-4, Summer-Fall, 1953—Transportation
Vol. 12—No. 1-2, Winter-Spring, 1954—Machinery Manufacturing
No. 3-4, Summer-Fall, 1954—Apparel Manufacturing
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No. 3-4, Summer-Fall, 1955—Building Construction
Vol. 14—No. 1-2, Winter-Spring, 1956—Heavy Construction
No. 3-4, Summer-Fall, 1956—Automotive Industry
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No. 3-4, Summer-Fall, 1957—Radio, TV Stations
Vol. 16—No. 1-2, Winter-Spring, 1958—Chemical Industry
No. 3-4, Summer-Fall, 1958—Chambers of Commerce
Vol. 17—No. 1-2, Winter-Spring, 1959—Apparel Industry
No. 3-4, Summer-Fall, 1959—Farming
Vol. 18—No. 1-2, Winter, Spring, 1960—Tobacco
No. 3-4, Summer-Fall, 1960—Furniture Industry
Vol. 19—No. 1-2, Winter-Spring, 1961—Financial Institutions
No. 3-4, Summer-Fall, 1961—Military Organization
Vol. 20—No. 1-2, Winter-Spring, 1962—College Edition
No. 3-4, Summer-Fall, 1962—Food Processing
Vol. 21—No. 1-2, Winter-Spring, 1963—Brick Manufacturing

POSTERS:

Employer's Certificate of Coverage and Notice to Workers.
Notice to Workers as to Benefit Rights While on Vacation.

CIRCULARS AND FOLDERS:

Employer Experience Rating in North Carolina.
Information for Workers and Identification Booklet.
Information for Interstate Claimants.
Unemployment Insurance in North Carolina.
Explanation of Benefit Non-Charging Provisions.

RELEASES OF THE BUREAU OF EMPLOYMENT SECURITY RESEARCH

Current Series

"Trends"—A monthly 11-page mimeographed activity report first issued in 1943. Years 1962 and 1963 available.

"North Carolina Insured Employment And Wage Payments" (Quarterly)—A quarterly mimeographed 6-page release giving insured employment and wage data for each county for five broad industry groups. Only recent releases available.

"North Carolina Insured Employment And Wage Payments" (Annual)—Report for calendar years issued in two parts.

1. Summary data for State by three-digit industry and employment and wages by county. Mimeographed. Available, years 1957-62.
2. County data by three-digit industry for years 1957-62. Mimeographed.

"Experience Rating in North Carolina"—An annual study of the experience rating plan and its operation. Years since 1950 available. Mimeographed, 20 pages.

"Labor Resources in North Carolina for Industrial Development"—A quarterly release showing estimates of available labor by county. Mimeographed, 4 pages.

"North Carolina Labor Force—Employment and Unemployment"—A one-page monthly mimeographed release initiated in January 1962 giving statewide total labor force data.

Labor Turnover in Manufacturing Industries—Monthly

Labor Market Newsletter—A local employment security office release showing labor market conditions in the office area. Only current releases available. Releases on following areas:

1. Bi-monthly for Asheville, Charlotte, Durham, Greensboro, High Point, Winston-Salem, and Fayetteville.
2. In October, February and June for Burlington, Gastonia, Lexington, Raleigh, Reidsville-Spray, Statesville, and Wilmington.

Special Reports and Studies

The Cost of Unemployment Insurance in North Caroilna 1936-1955—A study of long range unemployment benefit financing and fund solvency. The 1961 restudy is out-of-print.

Continuous UI Claimant Study—1961. An analysis of the characteristics of UI claimants establishing benefits in 1961. Mimeographed, 20 pages.

Occupational Wage Rates In Manufacturing Industries Of North Carolina—January, 1964

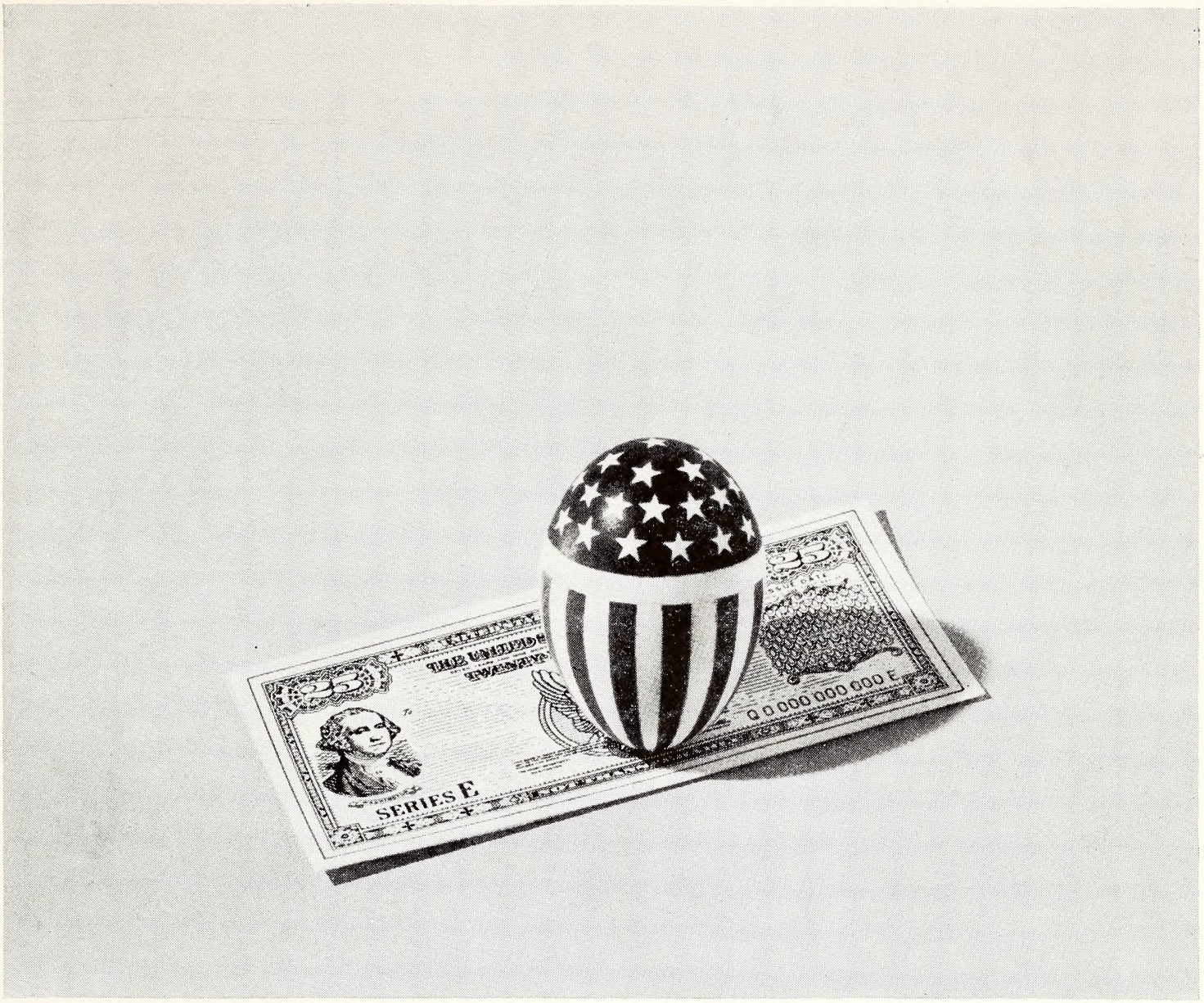
Fringe Benefit Practices In Manufacturing Industries Of North Carolina—May, 1963

Wage Survey of Weekly Wage Scales for Selected Occupations—Limited primarily to jobs found in State Government and also in industry—mimeographed—June 1962.

North Carolina Labor Force Estimates by Labor Market Area—March 1962 and March 1963 labor force estimates by major industry divisions for 89 defined labor market areas—mimeographed, 100 pages. Limited availability.

North Carolina Study of Manpower and Training Needs for Medical and Health Service Occupations, September 1963. A report showing future manpower requirements in 34 medical and medi-care occupations, based on information furnished by 400 medical and health service establishments. Printed Report, 63 pages. Limited availability.

Manufacturing Business Births and Deaths in North Carolina—Four Year Period 1959 to 1962—A study of acquisitions and losses of business establishments by industry and employment impact—Mimeographed.



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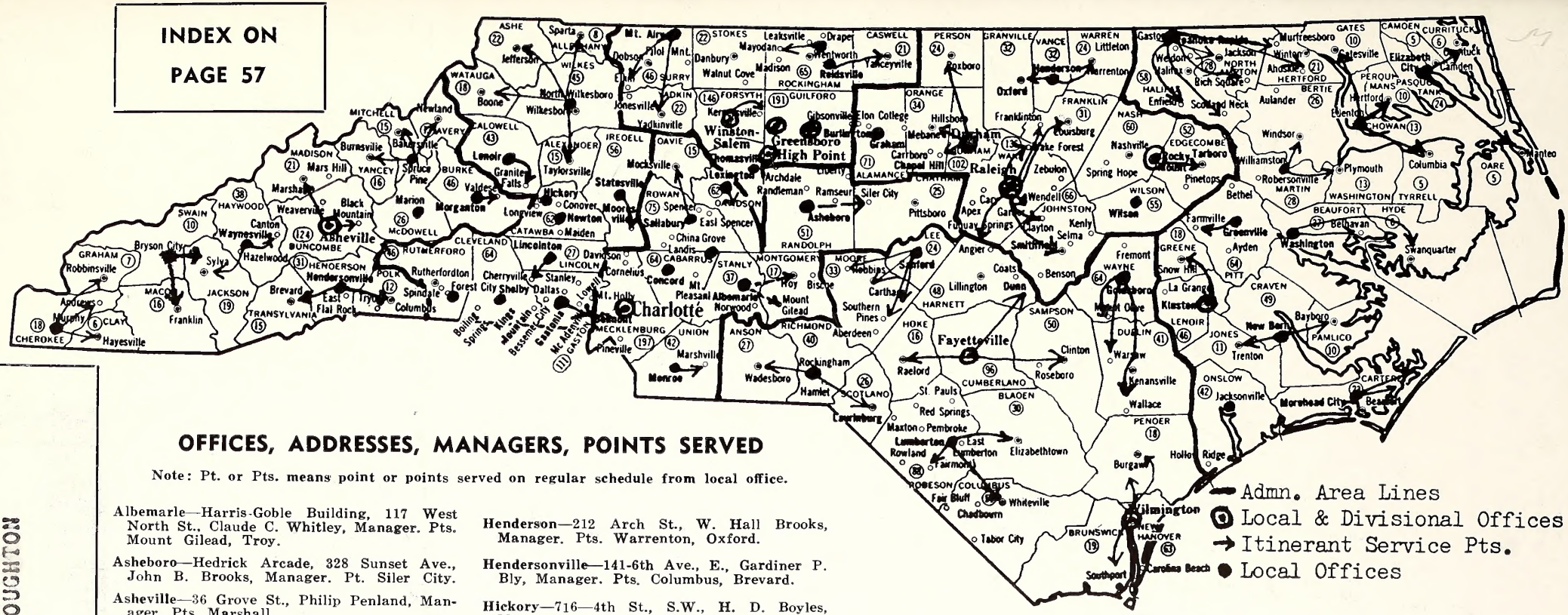

OFFICES, ADDRESSES, MANAGERS, POINTS SERVED

Note: Pt. or Pts. means point or points served on regular schedule from local office.

Albemarle—Harris-Goble Building, 117 West North St., Claude C. Whitley, Manager. Pts. Mount Gilead, Troy.

Asheboro—Hedrick Arcade, 328 Sunset Ave., John B. Brooks, Manager. Pt. Siler City.

Asheville—36 Grove St., Philip Penland, Manager. Pts. Marshall.

Bryson City—Hyatt Building, Everett Street, Paul F. Felsberg, Manager, Pts. Franklin.

Burlington—336 W. Front St., John R. Fish, Manager.

Charlotte—112 W. First St., George H. Everett, Jr., Manager. Pt. Cornelius.

Concord—66 S. Church St., Lewis B. Morton, Manager.

Durham—516 N. Mangum St., Louis Berini, Manager, Pts. Chapel Hill, Hillsboro, Roxboro.

Edenton—709 N. Broad. William A. Hollar, Mgr. Pts. Hertford, Columbia, Gatesville.

Elizabeth City—107 W. Ehringhaus St., Norman L. Pendleton, Manager. Pts. Manteo, Buxton.

Fayetteville—148 Rowan St., S. Thaddeus Cherry, Manager. Pts. Dunn, Clinton, Raiford.

Forest City—104 Yarboro St., John W. Ervin, Manager. Pts. Rutherfordton.

Gastonia—359 W. Main Ave., Earle W. Brockman, Manager. Pt. Belmont.

Goldsboro—109 W. Ash St., Clay B. Rich, Manager. Pts. Mount Olive, Warsaw, Wallace.

Greensboro—Starr Bldg., 229 North Greene St., James E. Filipski, Manager.

Greenville—513 Cotanche St., Wm. B. Dilllngham, Manager, Pt. Farmville.

Henderson—212 Arch St., W. Hall Brooks, Manager. Pts. Warrenton, Oxford.

Hendersonville—141-6th Ave., E., Gardiner P. Bly, Manager. Pts. Columbus, Brevard.

Hickory—716—4th St., S.W., H. D. Boyles, Manager.

High Point—400-408 N. Wrenn St., Ralph E. Miller, Manager.

Jacksonville—822 New Bridge St., Duke Amerson, Manager.

Kannapolis—210 Oake Ave., S. W. Patterson, Manager.

Kinston—106 N. Independent St., Herman Wellons, Manager. Pt. Snow Hill.

Lenoir—Hedrick Bldg., 133 N. Church St., Augustus H. Jarratt, Jr., Manager. Pt. Granite Falls.

Lexington—102 W. First Ave., W. Alan Knight, Manager. Pt. Denton.

Lincolnton—409 E. Main St., Paul H. Lawing, Manager. Pt. Cherryville.

Lumberton—Wishart Bldg., 307 E. Third St., Carl D. Brothers, Manager. Pts. Whiteville, Elizabethtown, Fairmont

Marion—Hawkins Bldg., 13 West Henderson St., David S. Gray, Jr., Manager.

Monroe—Ray Shute Bldg., 128 S. Main St., Floyd Harrill, Manager.

Morehead City—809 E. Evans St., Mrs. Julia P. Tenney, Manager. Pts. Atlantic, Davis.

Morganton—107 S. King St., Ned W. LaFevers, Manager, Pt. Valdese.

Mount Airy—Fuller Bldg., 708 S. Main St., John L. Taylor, Manager. Pts. Elkin, Yadklnville.

Murphy—Garrett Bldg., Willow St., John L. Ellis, Manager. Pts. Andrews, Hayesville, Robbinsville

New Bern—211 Pollock St., Benjamin F. Gillikin, Manager. Pts. Bayboro, Trenton.

Newton—208 N. College Ave., Cephas A. Cloninger, Manager.

North Wilkesboro—Duke Power Building, 309 Ninth St., Troy L. Perry, Manager. Pts. Boone, Sparta, Taylorsville, Jefferson.

Raleigh—321-323 W. Hargett St., John B. Fleming, Manager. Pts. Franklinton, Fuquay, Louisburg, Wake Forest, Zebulon, Clayton, Smithfield.

Reidsville—213 Settle St., Claude R. Sealey, Manager. Pt. Yanceyville.

Roanoke Rapids—945 Park Ave., Dwight M. Leonard, Manager. Pts. Enfield, Scotland Neck, Ahoskie, Jackson, Rich Square, Murfreesboro.

Rockingham—106 S. Randolph St., Richard E. Smith, Jr., Manager. Pts. Laurinburg, Wadesboro.

Rocky Mount—234 Hill St., Graham K. Cottingham, Manager. Pt. Tarboro.

Salisbury—121-123 N. Church St., J. S. J. Horton, Manager. Pts. Mocksville, Cooleemee.

Sanford—219 S. Steele St., L. Garland Scott, Manager. Pts. Carthage, Robbins, Southern Pines, Pinehurst.

Shelby—Royster Building, 503 N. Lafayette St. Buell A. Bailey, Manager. Pt. Kings Mountain.

Spray—Stadium Drive, Wade W. Lemons, Manager. Pt. Mayodan.

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